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# East Europe Report

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9 FEBRUARY 1987

## EAST EUROPE REPORT

## CONTENTS

## AGRICULTURE

## POLAND

- Impact of State, Free-Market Price Ratios on Farm Production  
(NOWE ROLNICTWO, No 6, Jun 86) ..... 1

## ECONOMY

## POLAND

- Press Reports Focus on Foreign Debt, Sanctions  
(TRYBUNA LUDU, various dates; RZECZPOSPOLITA, 4-5 Oct 86) ..... 5
- FRG Press on Debt Report, by Daniel Lulinski ..... 5
- FRG Banker on Debt, Sanctions, by Zygmunt Broniarek ..... 6
- Effect of Sanctions Highlighted, by Tomasz Bartoszewicz ..... 7
- Implications for Export From Debt Report, by  
Andrzej Leszczynski ..... 9
- Enterprise Managers Show Interest in Chinese Reform  
(ZARZADZANIE, No 8, Aug 86) ..... 13
- OPZZ Task Force Monitors Income, Cost of Living  
(Zbigniew Kochan; TYGODNIK POLSKI, No 41, 12 Oct 86) .... 14
- Contracts for Government Orders in Science, Technology Signed  
(RZECZPOSPOLITA, 26 Sep 86) ..... 22
- Official Explains Importance of Small-Scale Manufacturing  
(Marian Struzucki Interview; ZYCIE GOSPODARCZE, No 38,  
21 Sep 86) ..... 24
- Status of Small-Scale Manufacturing in Bialystok Reviewed  
(GAZETA WSPOLCZESNA, 4 Sep 86) ..... 33

Report on Regional Semi-Private Franchise Sector (SLOWO LUDU, 15 Sep 86) .....	35
Southern Line Completed in Power Network (RZECZPOSPOLITA, 26 Sep 86) .....	37
Power Plants Planned for Gdansk, Gdynia (GLOS WYBRZEZA, 9 Sep 86) .....	38
'Irregularities' in Lodz Area Polonia Firm Activity Cited (GLOD ROBOTNICZY, 9 Sep 86) .....	39
Fate of Kowalski Turbine Invention Followed, Questioned (Andrzej Krzysztof Wroblewski; ZARZADZANIE, No 9, Sep 86)	41
Traditional, Reformed Socialist Economic Systems Compared (Marek Misiak; ZYCIE GOSPODARCZE, No 41, 12 Oct 86) .....	49

#### MILITARY

##### POLAND

Siwicki on Popularity of Military Careers With Youth (Ludwik Luzynski, Jędrzej Fijałkowski; WALKA MŁODYCH, No 41, 12 Oct 86) .....	55
Szczecin Port, Border Security Operations Featured (Henryk Piecuch; GRANICA, No 40, 5 Oct 86) .....	62

#### POLITICS

##### POLAND

Defense Committee Meetings Held (Various sources, various dates) .....	64
Krosno Meeting on Private Sector	64
Nowy Sacz Reviews Sanitation Campaign	65
Joint Session With Voivodship Collegium, by Roman Kaminski	65
Kaczmarek at Krakow Meeting	66
Szczecin Meeting Checks Winter Fuel Supplies	67
Justice Ministry Calls Commission on Civil Law Reform (RZECZPOSPOLITA, 20-21 Sep 86) .....	68
Round Table on 'More Democracy' Via National, Other Councils (Jerzy Grzybczak; ODRODZENIE, No 35, 30 Aug 86) .....	70



University Rectors Meet in Torun, PZPR CC Speakers Noted (GAZETA POMORSKA, 11 Sep 86) .....	88
Higher Education Council Projects Broad Role (Klemens Bialecki Interview; TRYBUNA LUDU, 17 Sep 86) ....	90
Higher Education Council Session 'Invigorating' (RZECZPOSPOLITA, 20-21 Sep 86) .....	93
Higher Education Physical Plant, Salaries Discussed (TRYBUNA LUDU, 20-21 Sep 86) .....	94
Weekly Reviews, Attacks 'Independent Encyclopedia' (Waldemar Stelmach; RZECZYWISTOSC, No 40, 5 Oct 86) .....	95
Bloc Youth, Krakow PZPR Meeting (GAZETA POMORSKA, 3 Sep 86) .....	99
Activities of PZPR Central Committee Politburo Reported (ZYCIE PARTII, Nos 19, 20; 10, 24 Sep 86) .....	100
Calendar 18-31 August 1986	100
Calendar 1-14 September 1986	103
Union, Party Roles in Self-Management Viewed (Radoslaw Markowski; ZARZADZANIE, No 8, Aug 86) .....	110
Briefs	
Mass Media, PZPR CC Consultations	115
Ukrainian Writers Honored	115
Szczecin Defense Committee Meeting	115
Bialystock Defense Committee Meeting	115
Soviet Friendship Society in Schools	116
FRG Youth Visit Krakow	116
Miodowicz Claims 'Union Pluralism'	116

#### SOCIOLOGY

#### HUNGARY

Improvements Reported in Health Statistics, Services (Eszter Legrady; MAGYAR NEMZET, 12 Dec 86) .....	117
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## IMPACT OF STATE, FREE-MARKET PRICE RATIOS ON FARM PRODUCTION

Warsaw NOWE ROLNICTWO in Polish No 6, Jun 86 p 10, 19-20

## [Excerpt] Economic Production Conditions

The 1980's began a new period in farm price policy. Prices grew much more rapidly than in the 1970's and changed frequently. This was due to the complexity of the entire economy and mainly due to the steadily increasing inflation. The years 1980-1983 were particularly important in farm price policy. Attention was directed principally to counteracting production declines. This was done while maintaining, and at one time even improving, the parity of agricultural incomes. Parity reduction, at a time of meager availability of producer goods, would have caused a serious collapse of the entire production apparatus. At the same time attempts were made to change the structure of production in agriculture through prices. In the early 1980's procurement prices grew markedly; an attempt was made to fix them at an approximate level. This was intended mainly to stimulate production on farms where soil and weather conditions were bad.

This measure, it turned out, did not bring the anticipated effects and resulted in a further reduction in potato and meadow-hay crops.

The potato harvest in 1980 was almost 50 percent lower than in 1979 and production in 1982 was approximately 25 percent below that of 1981. Meadow-hay crops dropped similarly. During 1979-1980 harvests were about 20 percent lower and in 1981-1982 the drop in hay crops was even slightly over 20 percent. At the same time there was a sudden drop in sales of feed concentrates from state stocks. Under these circumstances part of the grain in the hands of peasant farms was used for feed. Free-market prices of grain rose because transactions entered into between farmers served to supplement their own feed stocks essential, as mentioned, to complete the production cycle. Due to the lack of production means and the scarcity of other industrial articles, some farmers decided to store grain on the farm rather than sell it on the open market. This caused a great increase in transaction prices between producers. Large numbers of farmers began to reduce their animal herds, principally hogs, and free-market prices on piglets dropped. There were 2,845,600 fewer hogs in 1981 than in 1980. A further decline (by about 500,000 hogs) occurred in 1983, followed by a decline of about 100,000 in 1984.

In 1980 cattle heads dropped by 387,000, compared to 1979, and by 1,238,600 in 1981. During 1982-1984 there was a further drop in cattle heads, although on a much smaller scale.

In 1981, as has already been said, farm-production procurement collapsed. This was the result of insufficient goods and services on the rural market. Large increases in procurement prices did not bring expected results in the form of a growth of production and supplies of farm crops. Under this situation, "tied" sales were instituted, wherein in exchange for the farm products sold the seller was entitled to obtain means of production and scarce durable consumer goods. But this did not produce a significant growth in supplies of farm products, either.

Not until late in 1982 and early in 1983 was a gradual improvement in farm production observed. In 1982 cattle heads grew by 115,000, hogs by 991,000, and the number of piglets also increased--by 115,100.

In 1982 the highest increase in the country's postwar history took place. This was the beginning of the process of reforming the entire economic mechanism. New, more correct, ratios were applied. Retail prices of food were set at a level higher than the procurement prices of farm crops. This was an important step towards making production and consumption realistic. But other conditions arose which led to a weakening of the model of exchange between the town and the countryside. In the normally functioning economic mechanism, food articles flow from the countryside to the towns by one channel, and means of production and other industrial articles flow in the opposite direction. The flow of production means and consumer articles was greatly reduced, and as a consequence cash reserves in the peasant farms began to grow. The function of money as a universal equivalent was seriously weakened. Stories began to circulate among the people about the "fortunes" accumulated by farm producers, exchanges between the town and countryside became difficult, anti-peasant attitudes arose, and the sociopolitical atmosphere in the country deteriorated further.

In 1983 a certain drop in the free-market prices of grain and potatoes occurred which, it may be supposed, was due to the attempts made by many producers to adapt the size of animal production to the feed stocks available to the farms. At the same time there was a noticeable increase in prices of piglets in transactions between farmers. But this was not yet a signal of improvement in animal production. The price increase was attributed to the intention of most farms to rebuild their basic herds, which had been greatly reduced in the early 1980's--due primarily to the selling-off of sows.

In 1984 free-market prices of grain and potatoes settled at a level close to that of 1983. At the same time, something else happened: Price ratios for state procurement of animals and free-market prices of feed fluctuated somewhere around the levels obtained in the past, namely in 1979. This was the last year of relative stability in agriculture and the entire national economy. For example: In 1984 the relationship of the procurement price of slaughter cattle and the free-market price of rye was 5.4; in 1979 it was 5.3. The ratio of hog procurement prices and the free-market prices of rye was 7.0

and 7.93, respectively. Similar comparisons can be made for procurement prices of other animal products and the free-market prices of feed.

It is difficult to speak here about stability in farm production, and even more difficult to draw conclusions on a lasting recovery of balance in the entire national economy. Actually, it is barely the sign of the beginning of a return to the past and relatively stable ratios of prices between basic farm crops. For now, the proportions calculated for 1984 appear to be fixed at a much lower level of production. It is believed that this was the result of adapting the size of animal production to the availability of feed in our agriculture.

A number of increases were made in price policy during 1980-1984. But, as mentioned, they did not bring results in the form of larger supplies of farm crops. This was a period during which a number of unfavorable socioeconomic events occurred. Some of the people expected that increases in procurement prices will be a universal economic instrument which will be able to surmount all of the barriers, accumulated over many years, standing in the way of a growth in supplies of farm crops.

The experience of price policy in agriculture in the early 1980's has led to a number of proposals and observations. The past years were a period of active price policy in agriculture. Price increases were not able to produce an increase in supplies of farm products. Clearly defined preferences for production, dictated by the economy, were absent during 1980-1984. In our circumstances, both economic as well as biologic circumstances suggest that preference should be given to hogs and dairy cattle. Hog production is less land-intensive than cattle production, because for one kilogram of live weight less plant production (feed protein) is used. Furthermore, hogs offer more slaughter-meat. Also, annual (comparable) weight increases are higher than for cattle. Giving priority to production of hog meat is also in line with the structure of demand. An additional argument in favor of stimulating this production is the fact that hog breeding can and should be done on small farms, whether better use can be made of unconventional feed (including kitchen scraps). But this requires suitable organization of the economy in order to stimulate production on those farms in which animal-production costs (in the case of hogs) are lowest.

On the other hand in the production of cattle priority should be given to dairy cattle. Milk, as we know, is a source of relatively cheap animal protein. The importance of this food item in our consumption should grow especially now, when consumption of other products rich in animal protein has been reduced.

Price policy relating to means of production, services, payments and taxes, and other nonprice factors affecting producers, including the sociopolitical atmosphere in the country, played an important part during 1980-1984. But the scarcity of goods in relation to needs was of fundamental importance. This pertained to both durable goods as well as turnover goods. The supply shortage, in relation to the high and unmet demand, also affected durable consumer goods.

During the entire postwar period of the development of our economy there has been an unsatisfied demand for food articles. This was especially evident in the second half of the 1970's and in the early 1980's. There are a number of ways in which the growth of supplies of farm products can be affected. One of these is to stimulate growth by means of prices. But too much cannot be demanded of price policy alone. This pertains particularly to those countries in which there are shortages of farm goods, when production is less sensitive to price growth than to price drop. Furthermore, use of prices as a stimulator for growth production requires extreme caution because mistakes caused by bad price policy in this area are usually greater and more strongly felt than the benefits which may be expected if prices are regulated correctly. Restriction to just one economic instrument cannot bring anticipated results. Comprehensive measures, aimed primarily at restoring full confidence in farm policy and establishing long-range goals in the development of agriculture, are essential.

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## PRESS REPORTS FOCUS ON FOREIGN DEBT, SANCTIONS

## FRG Press on Debt Report

Warsaw TRYBUNA LUDU in Polish 25 Sep 86 p 9

[Article by Daniel Lulinski]

[Text] A report published in Warsaw on the state of and reasons for Polish debt and means of resolving that problem encountered the keen interest of economic and political circles and media commentators in West Germany.

The report's substance was published under the titles, "Sobering Balance (commentary from Bonn's GENERAL ANZEIGER), "Warsaw Banks on Expansion; Poles are Confronted by Their Debt" (FRANKFURTER ALLEGEMEINE ZEITUNG) [FA].

FA, a newspaper close to leading economic and financial circles in the FRG, writes that despite its significant debt, Poland continues to have considerable potential and, contrary to certain pessimistic opinions in the West, is in a position to solve that problem. Profound structural changes in the economy are needed for this. Whether Poland will achieve economic stability in the 1990s or not until late will depend on reforms that have been initiated. FA recalls political and economic sanctions by some Western countries, also creditors of the PRL, that caused losses in the Polish economy estimated at \$15 billion.

Referring to the report, SUEDEDEUTSCHE ZEITUNG says that in the years 1971-1985 Poland incurred credits of \$46.9 billion in the West, but during the same period it had to pay \$39 billion in debt servicing. KOELNER STADT ANZEIGER writes in this context that without help from its creditors, Poland will not be in a position to eliminate its "mountain of debt." The point here is the formation of appropriate ratios among annual receipts from exports, expenditures for imports and payments on the debt.

Bonn's GENERAL ANZEIGER emphasizes that economic experts in Warsaw have drawn up a sobering balance sheet on Poland's debt situation and notes that the Polish economy cannot count on credits as high as those in the 1970s during the term of Chancellor Schmidt. The Polish economy must become more profitable before it obtains new credits.

Also in the FRG there is no lack of opinions suggesting use of Poland's indebtedness for political pressures on our country and avoiding moves that could help Poland acquitting itself of its financial obligations. An example is the radical article in the right-wing DIE WELT (23 Sep), which was published on the same as the Warsaw report. It illustrates the reasons--the fault of Western nations as well--for Poland's debt and its usurious interest. DIE WELT indicates that the West should not deviate from its policy of restrictions and other sanctions imposed upon our country. Revisionist and ultra-right circles, i.e., the anti-Polish "compatriots," in the Christian Democratic parties, speak in favor of using Polish economic problems to exert pressure on our country.

But on the Rhine the first comments evaluating the report on Polish debt and means for overcoming it indicate, in well conceived self interest too, that responsible political and economic circles in the FRG treat its conclusions seriously. Publication of the report in Warsaw coincided with a declaration by responsible West German politicians--at a UN session as well--on the decision to improve relations, including economic cooperation, with Poland.

#### FRG Banker on Debt, Sanctions

Warsaw TRYBUNA LUDU in Polish 30 Sep 86 p 6

[Article by Zygmunt Broniarek]

[Text] In connection with a meeting of the International Monetary Fund and World Bank in Washington, a press conference by Dr Walter Seipp, president of the Commerzbank in Munich, was held 23 September. The conference was devoted in part to the debt issue. I asked Dr Seipp how he sees the prospects for Poland's repayment of its debt. He answered that it depends on the rate at which Poland emerges from its crisis, adding that Poland "as far as it is able" is paying interest on the debt and even "part of the principal. We have," said Dr Seipp, "entered into a sound agreement with Poland on restructurization of the debt (distributing it over a longer period). In many respects one might say that it is an exemplary agreement."

To the question of what he thinks about economic restrictions against Poland by the US, Dr Seipp replied that "responsible organizations in the FRG, including the Federation of German Industry, have also spoken out against sanctions, because experience teaches that they elicit consequences contrary to those intended."

The president of the Commerzbank also said that "the debt issue concerns not private business but sovereign states. It is necessary to take this difference into consideration always." To the question by one of the journalists as to what methods to use in order to ease the burden of indebtedness and not expose the banks to harm at the same time, Dr Seipp said, "It is worth considering such agreements as those with Poland."

## Effect of Sanctions Highlighted

Warsaw RZECZPOSPOLITA in Polish 4-5 Oct 86 p 7

[Article by Tomasz Bartoszewicz]

[Text] The restrictions executed against our country by the US and some of its allies have already been written about many times. The losses suffered by our economy, and by all of us as a result, are enormous. Recently the question of accounting of these losses has again found itself in the center of public interest in connection with the report of the Institute for the Study of Foreign Trade Business Cycles and Trends [IKC HZ] and the Institute of the National Economy [IGN] on Poland's debt and the means to overcome it. For the report says that these losses have been estimated at about \$15 billion, or almost half of our debt.

### Forced Decrease in Imports

In a White Paper devoted to US policy toward Poland in the light of facts and documents (1980-1983, IGN calculations of losses suffered by our economy as a result of a forced reduction in imports from capitalist countries are presented in detail.

On a scale unheard of in modern international economic relations, it came to 31.5 percent in 1981 and 24.6 percent in 1982 (in relation to the previous year in fixed prices. The direct reason for the decline was the sudden limitation on new credits for Poland by Western countries. This coincided with the economy's decreased export capacity.

Such a severe drop in imports added to the economy's high losses occurring in the formation of macro-economic proportions as well as in the results of business activity. Let us recall that losses in this regard in the years 1982-1983 have been estimated at \$10.5 billion.

The act of suspending credits as a form of restriction is often questioned. The argument has been made that Poland would not have received new credits anyway after suspending debt payments, which took place, we remember, in March 1981. Without negating the fact that deterioration of our country's payment creditability had a significant effect on the decisions of potential creditors, let us remember that it was not Polish propaganda that contrived suspension of new credits guaranteed by governments as a political restriction. This decision was made by the US administration and the NATO council soon thereafter. So we have an absolute right to treat the suspension of credit as a conscious restriction. For such was the intent of those decisions.

IGN's accounting presented in the White Paper deals only with the macro-economic consequences caused by the decrease in imports from Western countries. But up to now no one has calculated the losses suffered by individual firms. Many plants are still using 60 to 70 percent of their installed capacity. The reason is a lack of ability to import raw materials for manufacturing. To this day we are importing barely half of what we



imported from the second payment region before the establishment of restrictions. Because of the lack of credits we must pay for everything in cash and income from exports must be decreased by payment of part of the interest to creditors.

Occasionally one encounters the notion that "shock treatment" of this kind was ultimately beneficial for our economy. For without operating under conditions of extreme pressure, we would have been unable to move so quickly from a high trade deficit in relation to capitalist countries to the surplus on which we are working for the fifth year in a row. There is considerable truth in this. But this indirect result of the restrictions was certainly not intended by its authors and does not gratify them. They are surely also not pleased that another result of the restrictions is a decline in sympathy for the US government by Polish society. The US administration did not foresee this.

#### Consequences of KNU Suspension

In October 1982, by a decision of the president of the US, Most Favored Nation status [KNU] for Polish exports to the American market was suspended. As a result of that decision, and contrary to US obligations to GATT (Poland and the US are parties to the General Agreement on Tariffs and Trade, which does not allow for the possibility of suspending most favored nation status without the expressed consent of two-thirds of the parties to GATT), there was a significant increase in tariffs on Polish goods.

A characteristic trait of the market is the sharp competition prevailing there on the part of many foreign suppliers. This means that because of our inability to take advantage of KNU, in many cases it almost automatically eliminates the possibility of exporting a number of products. In the White Paper losses in Polish exports as a result of suspension of KNU in 1983 alone were estimated at about \$72 million. But considering that that year was not typical, one can safely assume that in succeeding years losses would be even higher.

Some of these losses have an irreversible nature. We have already written in the columns of RZECZPOSPOLITA about the consequences of the suspension of KN for the export of our machine tools to the American market. Because the machines were manufactured according to US specifications that are not in use in other countries (including 110V current), they could not be sold elsewhere without major alterations. We will overlook other examples since they are too numerous to mention.

#### What Next?

In the US the conviction is gradually growing that the policy of restrictions against Poland has not brought anticipated results, from the American point of view of course. The losses caused by these restrictions are noted and generally go unchallenged. The purpose of the policy of Ronald Reagan's administration was not so much to cause losses as to "extract" changes in domestic and foreign policy from the government of our country. That result has not been achieved.

The evolution of internal events in Poland is our affair exclusively. Unfortunately the losses we have all suffered as a results of restrictions are also our affair. But this does not mean that we do not require total suspension of all restrictions. The point is simply to return to normal international relations, to establish contacts based on the rights of partnership and mutual respect.

#### Implications for Export from Debt Report

Warsaw TRYBUNA LUDU in Polish 1 Oct 86 p 3

[Article by Andrzej Ieszczyński]

[Text] At this year's Poznan International Fair I was amazed by Marian Slezak, director of the Ponar Machine Tools factory in Ostrzeszow. In response to a question on the company's finances, he said, "We cannot complain of a lack of funds." Not many directors in Poland today would offer such an opinion.

The Ostrzeszo firm took 496th place on the list of the largest firms in Poland as regards production. But its 1.5 million zloty in production per employee brought it up to 22nd place as far as productivity is concerned. Ponar is also one of five firms that sell more than 80 percent of their products abroad.

High efficiency and high percentage of exports assured the company almost 93 percent profitability (profits as compared to cost of sales) and that result brought it fourth place in the country. The Ostrzeszow manufacturer yielded only to the three Polfa companies, in Jelenia Gora, Grodzisk and Stary Gard in profitability.

Looking at Ponar's position on last year's list of the 500 largest firms, I came to the conclusion that of th 10 most profitable manufacturers, the majority allocate more than 50 percent of their products to export. The only striking exception as Wroclaw's Wrozamet (gas ranges) which, with fairly good profitability and 1.5 million zloty for each employee, exports only 8 percent of its products.

It would seem from this that exports, contrary to rather common complaints, can be conducive to profitability. The economic workers from the firms that live on exports, that sell a major part of the products abroad, generally do not complain about the unprofitability of exports.

This does not mean that they do not have problems and worries. For example, director Slezak of Ostrzeszow complains in particular about the scarcity of special kinds of steel, about its poor quality. Andrzej Jeremienko of Bielsko Bialy's Befama, where more than 69 percent of the textile machines produced there are exported, complains of a shortage of employees. But in both companies, despite numerous concerns, it pays to export. (This summer, before the change in the zloty's exchange rate, Jeremienko added: Poland pays better. So what is the story? Are exports profitable or not?

For Whom are they Worthwhile?

I heard an interesting opinion on this subject during my conversations at the Poznan Fair from Zygmunt Smolec, director of the Kopex Foreign Trade Enterprise. In his opinion, the firms that export more than 60 percent of their products are coming into their own. This, he said, is the margin of profitability for exports.

All well and good, except that not many of the country's manufacturers reach that crossroads. It is said that Polish export rests on 300 firms. In 1984, 68 percent of manufactured exports came from 315 exporters. From last year's list of 500 it is apparent that only 60 firms allocated more than 30 percent of their products to export. Fully 200 companies from the list allocated less than 5 percent to export last year.

So there emerges the problem of how to encourage or economically compel a much broader range of manufacturers to cross that seemingly enchanted border beyond which export begins to pay off. And this is vital. The recently published report on Poland's foreign debt and the means to overcome it leaves no doubt about the matter. We quote from the report: "Increasing the export effort of the entire economy and all firms will have vital significance. Export should be the main criterion for evaluating companies."

So the effort of those 300 worthy exporters is not enough, nor that of those 60 that are able to sell more than 30 percent on foreign markets, nor that of the record holders (led by the Northern Shipyard in Gdansk with 88.3 percent) who send over 80 percent of their products abroad. What is necessary is a broad, general front line of companies who will purposefully mold their export offerings.

#### Avenues of Approach

The report not only gives us a picture of the debt and the circumstances that led to it, but also outlines the directions for action necessary to improve the state of our foreign obligations. At least stabilizing them. The document therefore illustrates that one of the reasons for limited export is the state of economic disequilibrium and inflation. Under these circumstances, it is not hard to sell any product in Poland, even shoddily made ones, and "thanks" to inflation, at a high price.

On this level radical improvement comes hard and slowly, especially since depreciating manufacturing property is causing a shortness of machines and equipment. But this does not mean that we should wait idly for equilibrium. It will be molded in the process of improving the economy, the growth of collective productivity, better use of working time and the growth of management efficiency.

At the same time solutions that together with reform mechanism would effectively enrich Poland's export offerings and broaden the range of exporters must be introduced. The report outlines them precisely and some of them have already been implemented.

One of the points is the change last September and again this year in the zloty exchange rate in relation to the convertible ruble and dollar. Along with assuming its rate, a floating rate was introduced, one that adapts, automatically as it were, to a different level of export profitability. To increase the system's effect on export development, the scope of application of world prices to raw materials is to be expanded.

The effectiveness of applied institutional credits of which exporting firms are taking advantage requires another, closer look. There is no doubt that under our circumstances this is the most essential form of relief. But as is apparent from analyses by the Ministry of Foreign Trade, credits thus far have not been noticed to a great extent by people in working positions. It is therefore an important matter to find the workings that would permit rewarding the worker—the real creator of success in exports.

New solutions are required the firms' foreign currency and materials supplies. Opinions have been expressed, for example, that to maintain continuity of producer goods supplies abroad, it would be necessary to ensure better access to the use of foreign currency deduction accounts, even at the cost of decreasing them. I write what I have heard.

One also hears about excessive centralization of raw materials supplies. About a certain expansion of central distribution, which interferes with timely, flexible response to the needs of foreign contractors. But regardless of these systems of financial and materials solutions, the report takes up questions of, shall we say, a structural nature.

#### What to Sell

Recently Ponar, to which I keep returning (journalist also have their observation points) received a government order to increase production, more than ever before, of modern couplings. The order was well placed. In this plant, partly because of the needs of Soviet contractors, the importance of technological development has been perceived. Of course this is not the only company in which it is worth investing with an eye toward export. But let us be honest—the selection is not that great. But the selection must be brought about in order to increase the amount of exports and diversify export offerings.

Polish export, as has been said, relies on a few hundred firms and is rather undiversified. The range of goods offered is narrow. In this situation, disturbances on world markets cause a decrease in our exports. In order to have freedom of movement, it is necessary to have a variety of goods.

First of all manufactured industrial goods are needed. Further cultivation of a raw material monoculture, especially the coal trade, does not offer prospects for decisive growth in export income. For technical and personnel limitations will require stabilization of the limit of coal production at 190-200 million tons.

A decisive increase in income for foreign trade--from the current \$6-6.5 billion to \$9-9.5 billion in 1990--requires consistent and realistic building of offerings, including a range of modern manufactured goods, especially electro-mechanical, as well as a substantial increase in the export of services, especially transit, but also construction and tourism services.

#### It Must Pay Off

I have been writing off about the quantity of our export offerings. But they must also be profitable offerings. In this regard it does not look good. From Ministry of Foreign Trade sources we know that in 1983, in order to buy a ton of electro-technical equipment abroad, Poland had to export 2.3 tons of similar equipment. For a ton of transportation equipment we had to pay with 3.2 tons of similar products of our own. It was even worse in the machine and tool metals and optics industries. For of ton of imported goods, it was necessary with 4.5 to 7.9 tons of our products.

Behind this is our competence or rather our inefficiency in trading on foreign markets, as well as product quality and modernity--and the condition of our economy. I feel it is worth recalling here the sentence that concludes the report.

"It must become common knowledge that only under circumstances where the economy increases its capacity and takes a pro-export stance is it possible to solve the problem of the foreign debt of any country, including a country like Poland, especially since it is unique as compared to other debtor countries because of its relatively rich reserves of fuel, energy and raw materials, its major manufacturing capacity and qualified personnel."

These words are addressed not only to economic workers, managers and financiers, but to all of society as well. For growth in exports depends not only on the financial-technological system, but also, although no one has investigated this thoroughly, on the public atmosphere surrounding exports. And a good deal of phobia and prejudice has sprung up here in Poland. Prejudice used not that long ago by political opponents.

But if in the special report, which has been so widely disseminated, there is open discussion of our debt, it is in order to come to an understanding publicly as to the means of overcoming it. I would encourage reading this extraordinary report in that context.

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CSO: 2600/25

## ENTERPRISE MANAGERS SHOW INTEREST IN CHINESE REFORM

Warsaw ZARZADZANIE in Polish No 8, Aug 86 p 50

[Text] Reform of the socialist economy continues to be an attractive subject for the managers of our industry, even though they themselves often express opinions about avoiding that process in the Polish economy. Reform of the Chinese economy, probably because of the scale of that undertaking--given the size of the country--as well as its exoticism, elicits no less interest than domestic reform three years ago. And it was "reform Chinese style" that was the topic of discussion during a March meeting of the university's Warsaw Department of the Scientific Society of Organization and Administration, at which docent Lukasz Sajkiewicz, educational secretary of the Machinery Industry Management Institute, shared impressions from his two-week visit to China.

The delegates with which the speaker visited China toured eight machine manufacturing plants. It is worth adding that there about 10,000 plants of various sizes in this field registered in China. In Chinese industry, management according to the new rules began less than a year ago, in August 1985. The firms achieved considerable independence in financial management, internal personnel policy and negotiation of cooperative agreements, although rapid growth of international cooperation already occurred in 1983. But that is not the only difference between our economic reforms.

As the speaker said, the method of appointing directors made a major impression. The equivalent of our workers' council chooses candidates from among the employees, the best in the opinion of the majority, of course. The minister appoints the director but selects him from the group of people chosen by employee representatives. Afterwards the employee do not show any dissatisfaction since all candidates are seen as the best of the best. In connection with this the selection of candidates is a more important event than the naming of one of them as manager.

Docent Sajkiewicz also talked about the striking order and cleanliness in the manufacturing companies and the intense drive to acquire knowledge. An illustration of this could be the fact that 250,000 young Chinese are currently studying abroad, 200,000 in the US and 50,000 in Western European schools. Licenses from China's neighbor "across the sea" predominate among license purchases and that is probably why a great number of courses in Japanese are conducted. Who knows whether this territorial proximity and cultural similarity will permit the Chinese to make up, much faster than expected, the distance in technology that still separates this nation from the world forefront.

## OPZZ TASK FORCE MONITORS INCOME, COST OF LIVING

Warsaw TYGODNIK POLSKI in Polish No 41, 12 Oct 86 pp 1, 5

[Interview with Zbigniew Kochan, director of the OPZZ Economic Policy Task Force, by Adolf Myc: "Saucepan Full of Figures"]

[Text] [Question]: Population income and the cost of living are subjects of interest to the whole society today. The group you head plays a special role. First it examines and describes those data, and then, second, it defends working people from excessive price increases. What sort of criteria do you use in negotiating with the government?

[Answer]: The need to examine the costs of living came out of the fact that the trade unions do not want to discuss and hold consultations with the government on every price increase. For many reasons this puts us at a disadvantage, because the government side always finds an economic incentive based on various reasons showing that these increases are essential. The rise in match and gasoline prices is an example. Because we considered our action to be correct, we decided 8 months ago to poll the trade union federation charged with answering the question of whether to hold consultations with the government on the price indexes in the Central Annual Plan or on each price individually. The union people came out for holding consultations on the price indexes, examining the costs of living, and protecting food prices.

[Question]: It follows that the trade unions do not intend to take an interest in price increases on individual items.

[Answer]: I did not say that. On the contrary. We follow very closely the changes in the prices of individual items. We pay particular attention to protecting food prices, because they influence the whole society's standard of living, especially the people least well off, the pensioners, and retired people. We simply cannot allow reduced consumption of food products essential to the body.

[Question]: Alongside examining the population's cost of living and the income, does the OPZZ Economic Policy Group make other analyses too?

[Answer]: As I have already said, we take stands during consultations on the annual plan and the five-year plan concerning price indexes broken down into the various foodstuffs, services, and industrial items. Because we have decided to examine the costs of living, we have had to set up a department of economic analysis and research at the CSZZ to work exclusively on behalf of our needs. The research being conducted concerns three basic problems

The first is the way final production is increasing in the various sectors of the national economy and how wages are being structured there. On this subject I would like to say that the wage system in Poland is very bad and does not favor productive work. Work has become a social category, and it comes out of some sort of structured notion. It is simply that once one comes to work, he receives his paycheck.

The second problem we are examining is the structure of population income in various social groups and the structure of the cost of living. The cost of living cannot be discussed in isolation from population income.

The third problem, which I believe to be the most important, is an exact determination of the population's real income. This issue is very important, if only because nominal earnings can increase while real earnings decrease.

[Question]: What was population income like, according to the OPZZ assessment?

[Answer]: During the first half of the year, the growth rate of labor productivity was greater than a year ago. Industrial production was 5.4 percent higher than during this period last year, but this June there was a decline of 2.2 percent in industrial production in relation to the comparable period. Cash income during the first half of this year, amounting to 2,497 billion zloty, was 490.2 billion higher, or 16.3 percent higher, than the level of income during the first half of last year. Remuneration from work in units of the socialized economy during the first half of 1986 amounted to 1,800.2 billion zloty, up 304.3 billion zloty or 20.3 percent. Remuneration for work accounted for 51.4 percent of total population cash income. Social benefits amounting to 581.9 billion zloty were 20.4 percent higher than similar amounts paid out during the first half of last year, but the amount of nonagricultural pension and retirement benefits was only 373.6 billion zloty, which was 21.6 percent higher. The rural population received a total of 408.8 billion zlotys from sales of farm products to units of the socialized economy. This is 21 percent higher than during the first half of last year. If we divide population income by the number of persons employed in the various sectors of the socialized and nonsocialized economy, it turns out that income increased the most in the nonsocialized sectors.



[Question]: This is one side of the coin. The other is the population's cash expenditures during the first half of this year.

[Answer]: The population's cash expenditures during the first half of this year amounted to 236.7 billion zlotys and increased by 572 million zlotys, or 21.5 percent. Here are the structure and dynamics of expenditures: We allocated 2,578.8 billion zlotys for buying goods, 371.4 billion to pay for services, 162.3 billion to pay taxes, fees and charges, 52.6 billion to pay off credit, and 71.6 billion for other expenses. If we add up these figures, it turns out that the population's cash income increased this year by another 260.3 billion zlotys, with 7.9 percent going to increase cash resources. Savings deposits and current accounts increased during the first half of the year by 241.3 billion zloty.

[Question]: There is still a third element you talked about, monthly salaries.

[Answer]: Average pay per employee working in the economy amounted to about 22,700 zloty, an increase of 3,600 zloty, or 19 percent, in relation to the first half of last year. On the other hand, in the material production sphere, pay averaged 23,500 zloty, up 19.5 percent, but in the nonmaterial sphere, it was 19,900 zloty, up 17.5.

[Question]: Could you tell us how it went in various sectors of the economy?

[Answer]: In industry, average pay increased 20.7 percent to 26,700 zloty. In extractive industry it increased 26.3 percent to 44,200 zloty, in construction it was 24,800 zloty, and in science and technical development it increased 19.5 percent to 26,600 zloty.

[Question]: We can see from this that in relation to the growth of production, the growth rate of wages was not even.

[Answer]: You are right. This shows that wages did not always increase where production did. I do not want to spend a lot of time on this, because I could offend my colleagues in extractive industry, but wages increased most in coal mining, but you cannot say that this occurred at the cost of others, because they too enjoyed increases.

[Question]: Excuse me, but in our interview we have been using means or averages the whole time. Such terms do not after all reflect the real state of affairs. Should this not be altered?

[Answer]: I admit that this is a weakness of our analysis. We realize that society has a negative attitude toward the use of means and averages. Wages have increased for one person and decreased for another. One of our justifications is that we do not conduct our research until the next year, and we have not yet managed to set the work up right yet. I can only assure you that beginning next year we

will be presenting this data without such overall totals.

[Question]: Let us get back to our subject and talk about the cost of living.

[Answer]: When we talk about the population's cash income and about wage, retirement, and pension increases, we must say that the cost of living has also increased. The rise in the cost of living in the households of employees working in the socialized sector was as follows: We had to spend 17 percent more for food, but we spent 20 percent more for nonfood items such as clothing, footwear, furniture, toiletries, fuel, and tobacco products. The prices of services were also 20 percent higher.

The increases in retail prices in 1985 and from January to June this year had a great influence on the rise in the cost of living. Among the most important price increases was the rise in the prices of certain foodstuffs: about 8 percent for bread, 6 percent for grain products, 11 percent for sugar, 7 percent for dairy products, and 7-8 percent for butter and margarine and the like. Prices on tickets for urban public transportation also increased by more than 90 percent, and fuel prices were up 37 percent, electric power prices rose 18 percent, and the price of thermal power and gas [figures missing]. As of 16 April there were also increases in the price of clothing, footwear, and certain mechanical housewares, bicycles, newspapers, writing products, and other goods. These increases were substantial and had an influence on the cost of living. If we compare these data to income, we see that which social groups and which sectors of the socialized economy had increases and which fell behind.

The increases introduced last year and in the period from January to June of this year caused the cost of living during the first half of this year to increase by 16 to 18 percent.

[Question]: In your opinion, which had the greater influence on the cost of living, the increases in 1985 or the ones this year?

[Answer]: The influence of the price increases during the first half of the year increased the cost of living indexes by 7 percent, and the other 10 or 11 percent increase in expenditures came from the 1985 increases.

[Question]: Knowing how the cost of living increased, I think we also ought to say how real wages ran in the various sectors of industry.

[Answer]: The real earnings of employees working in the socialized economy increased 2.2 percent during the first half of this year in comparison to a similar period last year, and this varied a great deal from one branch of industry to another. Real pay increased by 7.9 percent in extractive industry, by 8.5 percent in the coal industry, and by 4.5 percent in engineering industry, but it declined in

transportation, ferrous metallurgy, the vehicle industry, and the clothing industry. In other branches, average earnings during the first half of this year remained at a level somewhat higher than during the first half of last year. Thus, for example, wages were 44,233 zloty in extractive industry, 24,937 zloty in construction, 18,498 in communications, and 18,574 in commerce. Pay was highest in the coal industry, averaging 46,927. What sort of conclusions can be drawn from this? Well, as the result of such a wage policy, real earnings declined for certain social groups. This is a signal to us that the employees most damaged should be defended, because, after all, we cannot have a situation like the one in transportation, where the average salary of 17,000 zlotys is not commensurate to the amount of effort, work, and responsibility.

[Question]: Does the group you direct know what market supply is like?

[Answer]: The situation here has varied, particularly with regard to foodstuffs. After the disturbances that occurred in May from environmental contamination, there was improvement in June and stability returned. Demand for butter, white cheese, and milk was met, but despite the increase in deliveries of aged cheese, continuous sales of this item were not maintained. Deliveries of meat and meat products during the first half of this year allowed us to make good on all the supply cards. Deliveries of oils were 16 percent lower, but those of margarine increased by 13 percent. Deliveries of fish and fish products continued to decline. They were 16 percent lower. There was gradual improvement in the supply of household equipment and mechanized household appliances, but many items are not always available. This applied in particular to enamelware and aluminum cookery utensils. There have also been shortages of television sets, light bulbs, cheaper domestically-produced laundry detergents, and all sorts of building materials (cement, construction paper, and lime).

[Question]: On 7 August 1986 RZECZPOSPOLITA published in its second column an article entitled: "Divergent Views on the Social Minimum." We find in this article that on 6 August 1986 a group of experts on the social minimum met at the Ministry of Labor, Wages, and Social Affairs to sum up the results of their work. How many meetings did the group hold?

[Answer]: We have held six meetings since last January. Taking part in the work are representatives from the Ministry of Labor, Wages, and Social Affairs; the Institute of Labor and Social Affairs, the Planning Commission, the Ministry of Finance, the Institute of the National Economy, the Main Statistical Administration, and OPZZ.

[Question]: In the article we also learn that there was a difference of opinion even over what the term "social minimum" meant. Government experts are proposing that this term be replaced by a new one, that is, an essential-standard model of consumption. What sort of position does the OPZZ have on this matter?

[Answer]: In keeping with its statutory obligation and the 1981 Council of Ministers resolution, we hold with the previous name and content of the social minimum, taking this to mean the designation of a level of consumption for families and single persons that is assumed to be the equivalent of meeting typical essential biological, cultural, and social needs specified as the minimum level for a given stage of our country's socioeconomic development.

[Question]: Do you not fear that to keep the old name of social minimum could contribute to the creation of pretensions?

[Answer]: No, because this should mobilize the groups that are economically the weakest to become vocationally active in order to attain and exceed the level specified as the social minimum. This would also be the basis for calculating the cost of living index. This should also help forecast social policy, especially in setting the level of the lowest retirement pay and pensions, family alimony, and benefits for the people worst off.

[Question]: The article I mentioned shows that the past social minimum was calculated as the amount of money needed to buy essential goods and services in the minimum shopping cart. The results of this research, however, did not influence in any significant way either the income policy or the structure of consumption. On the other hand, the new definition proposed would have a concrete material dimension. On this basis we could call upon the government to provide for the production of essential items in the economic plans. I would like to cite the subtitle of the article as a question: "Money or commodities?"

[Answer]: As for the basic question of whether we want to assure people money or commodities, we do not think that you can isolate the material assortment goods and services from cash income. After all, you do not need to convince anyone that this is a whole, and for this reason we should look at it solely as a single cohesive element.

[Question]: I know that after completion of the work there will be official communiques, but within this press notice I should still like to ask about the content of the minimum shopping cart.

[Answer]: We think that the content of the minimum shopping cart should be corrected every 5 years. It contains the basic foodstuffs and nonfood items, like clothing, warm underwear, shoes, and items to meet needs associated with housing, like curtains, and expenses related to recreation, transportation, and communications. Of course we are still talking about these problems, and we still argue with the government. We have already come to some meeting of the minds with regard to the content of the minimum shopping cart, but we cannot agree on the question of consumption norms for children and youth. Our opinions are based on the standards adopted by the Mother and Child Institute, and in this connection we should adopt a higher nutritional

standard for this group. After all, in relation to children and youth we must in no case use the concept of the social minimum. If we want our children to grow and develop properly, they must be properly fed. Our proposals have also been formulated on the basis of our own consultations and on documents obtained that way.

[Question]: The minimum shopping cart, as you mentioned, also contains nonfood items. I do not think that all the determinations on this subject are so simple, because how do you establish the useful life of a jacket, a pair of pants, or furniture?

[Answer]: We avail ourself of the opinions of various institutes. The Research and Development Center of the clothing industry gave us the useful life of clothing, the Leather Industry Institute gave us the useful life for footwear, and the Research and Development Center of the furniture industry gave us the useful life for furniture. It is true that there are differences between these findings and the government experts as to the useful life of various items, but I am convinced that we will soon be able to overcome them.

[Question]: Could you perhaps names some nonfood items for which there is a disparity in determining their period of use?

[Answer]: Certainly. The first figure will designate the proposals of the unionists and the second the position of the government experts. For example, for a winter coat we are proposing a useful life of 5 years and the government experts 7. Short coat, 4 years and 7 years. Men's shirt, 2 years and 4 years. Women's suit, 4 years and 6 years. Women's winter fur coat, 3 years and 4 years. As for furniture: kitchen cupboard, 10 years and 20 years; book shelves, 15 years and 20 years; sheets, 8 years and 10 years; pillowcase, 5 years and 10 years. As you can see from these few examples, the differences in the assessments are not so great, but they are very important in calculating the shopping cart minimum.

[Question]: What is the living or curatorial minimum we also read about in this article?

[Answer]: Alongside the government-proposed specification of the social minimum of an essential-consumption model, the category of the curatorial minimum is also being proposed. It has been agreed that this means the consumption level expressed, in terms of material and cash, that is the equivalent of meeting at the minimum level the current existential-consumption needs that cannot be deferred.

[Question]: I know that we cannot talk about the details of these problems for understandable reasons, but when will the final results be announced?

[Answer]: Soon now. At the moment there are still a few problems that remain to be resolved. In bringing our interview to a close I would

like to say that the social impression is that things are difficult, but the figures show that they are not tragic. Maybe social expectations projected a more rapid rate of growth for real wages and improved living conditions for people, but the country's economic situation is as it is and not otherwise. It is our duty to protect the living of people right when the annual plan is being discussed. At the moment the most important thing is the development of a way to cooperate with the government.

[Question]: Thank you for the interview.

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## CONTRACTS FOR GOVERNMENT ORDERS IN SCIENCE, TECHNOLOGY SIGNED

Warsaw RZECZPOSPOLITA in Polish 26 Sep 86 pp 1,2

[Text] How does the idea of government orders in science and technology look? We recall that there are 255 contracted ventures begun this year and 5 continued from previous years in the area of government interests. It is estimated that expenditures for execution of these assignments will come to about 400 billion zloty in the years 1986-1990, including 330 billion for capital expenditures. Next year there will be 135 new orders, for which 22 billion zloty has been allocated. The program for government orders is open.

On 25 September several representatives of the ministries and key industrial plants met at the Office of Scientific and Technological Development and Applications [UPNTW] for an official signing of general in the field of scientific and technological development. Their rapid execution and dissemination into practice, said minister Konrad Tott, director of UPNTW, has major significance for the growth of our electronics, agriculture, construction, health care and environmental industries and for the rational use of energy and natural resources.

Included in the orders were small letter-graphic printers to be produced by the Mera-Blonie Precision Engineering Works and third generation monitors manufactured by the Mera-Elzab Computer Equipment Works in Zabrze.

Of particular importance for construction are new materials with enhanced insulating properties on a raw materials base. The first experimental installation, initiated according to an original Polish method from the National Research and Development Center for the Building Insulation Industry in Katowice, doubles heat energy savings and affords a savings of over 1.5 million cubic feet of gas a year. The Plastics Works in Tychy will supply 6 million cubic meters of a new thermal insulation foil to heat tunnels for horticulture. This will bring a savings of half a million tons of fuel and 2.5 billion zloty annually.

On an order from the transportation and environmental protection departments, the river shipyards in Tczew and Krakow began production of suction-cutting dredges that will afford a savings of \$58 million. Up to now we imported such machines from the Netherlands.

The food industry and agriculture will receive new machines and equipment from the Cast Iron Foundry in Drawski Mlyn and Horticultural Mechanization Experimental Plant in Skierniewice. A plant in Makow Podhalanski will start up a line for production of meat casings. We have sold a license for casings productions to Yugoslavia.

The Ponar Machine Tools Factory in Ostrzeszow has contracted to supply 680,000 second generation electromagnetic couplings for the domestic market. Exports to the USSR alone will bring over 52 million rubles annually.

The government orders signed yesterday cover mainly new or improved products, technologies and devices. The deadline for their execution, in the opinion of UPNTW's director, should not exceed five years. Goals have been explicitly defined and closely tied to socio-economic tasks. In total, over 400,000 newly built machines and tools, about 200 new materials and more than 2000 original technologies will be put together for scientific and technological development over the next 5 years.

The incentives for firms to enter into contracts for executing government orders, besides contributions to cover loan interest, are preferential treatment in materials deliveries, the possibility of foreign currency allocations and income tax credits. Government order seen in this light should be an important factor in fortifying what up to now has been the weakest link in the "research-production" cycle, e.g., the transition of scientific work from the institute to the factory.

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## OFFICIAL EXPLAINS IMPORTANCE OF SMALL-SCALE MANUFACTURING

Warsaw ZYCIE GOSPODARCZE in Polish No 38, 21 Sep 86 p 3

[Interview with Prof hab Marian Struzucki, chairman of the Small Manufacturing Council, by Grazyna Smulska: What Counts Most Are the Facts: That the Small Might Be Big"]

[Text] [Question]: Prof Struzucki, just exactly what is small manufacturing? I doubt that all the people who use the term are fully aware of what they are talking about.

[Answer]: It is true that some misunderstanding has grown up around it, because there are two pictures of small manufacturing, the legal one and the economic one. The former was set down in the small-manufacturing law, which contained the organizational criteria and included in small manufacturing certain types of institutions, such as state local industry, "Cepelia" cooperatives, state enterprises rendering technical service to agriculture, the crafts and trades, and economic bodies of social organizations. This picture is incomplete, because the very nature of small manufacturing is shared by "Spolem" and "Samopomoc Chlopska" factories and plants of the garden cooperatives, but they are not mentioned in the law. Nonetheless, the door is open for these organizations to enter into the formal structure of small manufacturing.

[Question]: So why did they not immediately avail themselves of the opportunity? What determined the division?

[Answer]: The determining factors were the formal difficulties. Those types of cooperative were a bit fascinated by the bill "Cooperative Law," and they decided to distinguish themselves by their difference but came out on the short end, because the economic conditions provided for small manufacturing are more advantageous. I expect that soon they will want to correct this mistake and will apply to have their principles of operation included under small manufacturing and thereby fall under the coordination of the Ministry of Domestic Trade and Services (MHWiU). "Spolem," after all, has already done so.

In terms of the economic notion of small manufacturing, and I understand that you are more interested in this aspect, it has not been very clearly spelled out but is treated in a various ways in different countries. If we were to average out the various quantitative criteria, we would include in small-manufacturing enterprises those which employ

between 50 and 300 persons, but we would also find some with 20 employees, for example. Throughout the world, enterprises with 300-600 employees would already be considered to be of intermediate size.

My view on these matter is different. I consider the criterion of employment size to be of secondary importance or, at any rate, just one of the criteria, because it is not difficult to imagine a situation in which a plant equipped with modern machinery and a workforce of 200 people can turn out a very large volume of production, while at the same time some a cooperative with 1,000 employees produces very little, working mainly by hand. Therefore, the criterion of employment is relative, but this is the one adopted worldwide. In many countries the commitment of capital is also taken into account, but I think that issues of qualifications are of secondary importance in the issue of small manufacturing's role in the economy.

[Question]: But these matters are important insofar as people are always talking in our country about how small manufacturing plays too small a role in our industrial production. How can one know just what this share really is and what it should be, inasmuch as the distinction between small-scale manufacturing and large industry is unclear?

[Answer]: Indeed, the figures given in our country are incomplete, because they only take into account those units and types of small manufacturing coordinated by the MHWiU listed in the small manufacturing statute. These data indicate small manufacturing's share of the country's industrial production to be about 10 percent. If we add to this calculation those enterprises who by virtue of their economic nature fall within the scope of small manufacturing, that is, "Spolem," "Samopomoc Chlopska," and the like, then this share would be somewhat larger, but it would still be negligible compared to the situation in the highly developed countries, where it ranges from 27 percent in Italy to 40 percent or more in Sweden and other Scandinavian countries. In the United States it is said that small and intermediate enterprises produce 80 percent of that country's national product, but this qualification is very fluid, and its economic structure is not comparable to the economies of other countries.

I repeat, however, that the main thing is not the classification but small manufacturing's proper share and role, although, of course, the method of calculation is not a matter of indifference insofar as statistics are concerned.

[Question]: Where did all the interest in small manufacturing come from, or to be more precise, where did the next wave of interest come from, insofar as Poland is concerned?

[Answer]: You are right that one can get the impression that we are rediscovering the wheel, because after all we have already had small manufacturing in a far better state than it is at present. It was flourishing up until 1975, but in that year came the decision to eliminate state local industry, which at that time represented a very strong branch of the economy. The dissolution of the Small Manufacturing Committee came earlier, its jurisdiction being taken over by the

Ministry of Domestic Trade, which changed its name to add the word "services." The enterprises in Warsaw and Katowice were all that were left of state local industry then. The rest wound up in various industrial ministries, mainly the engineering industry, the chemical industry, and the food industry.

Why do we want to encourage and revitalize all of small manufacturing again? Simply because in this most difficult of all periods for the economy it has proved to be extremely flexible in adapting to market needs and cooperative production. It has proved itself by virtue of its economic vitality. The famous 1981 law No 112, which initiated the economic reform, created the economic conditions for the very expansion of small manufacturing. Nothing in the economy counts like facts, and the facts show that small manufacturing is an area of the economy with exceptional capabilities to adapt to broadly conceived needs.

[Question] But what you are talking about has already happened. Law 112 has already served its purpose and is no longer in effect. What new role does small manufacturing have to play, and after playing it will it not again fall back into disfavor along the lines of the actors' motto: Learn your lines, say your lines, and go home?

[Answer]: I see no possibility of small manufacturing's turning back from development. The process is far enough along, but we need a second stage of reform in small manufacturing, and I see it as a return to its origins, going right back to the presuppositions of Law 112. Here I have in mind a self-financing system and simplified organizational methods adapted to small enterprises. Do plants with 50-100 employees have to have the same sort of bookkeeping, financial, and planning infrastructure as enterprises with 1,000? Do we really have to burden them with all that bureaucracy? Here it is not a question of attestation concerning jobs but of solutions suited to the scale of the enterprise. For example, in small plants why not add the rigidly required job of occupational health and safety inspector to other third functions? There are many untapped reserves to be found here.

I think that the main idea of the Tenth Party Congress, the bolstering of effectiveness in the economy, will get an extremely great boost from small manufacturing and find a good place to act out that effectiveness. No great undertakings are needed here to see whether people and machinery are been properly utilized. This is easy to verify for anyone who has an economic sense of thought and action and who is trying to make effective use of the available potential.

The political climate and the actions of the government are favoring the development of small manufacturing, but a great deal depends on those who presently direct the enterprises and are in a position to create new enterprises, to encourage instances of initiative. They have the right to be founding bodies.

[Question]: Back to the first part of the question. What concrete things today are being expected of small manufacturing?

[Answer]: The functions it is to serve are generally known and

recognized, but it is worth emphasizing one thing: the activation of small manufacturing and the creation of conditions for its revitalization are an opportunity to produce broad structural changes in the economy that would be beneficial for the market by increasing production potential and at the same time expanding the share of production devoted to section B, that is, consumer goods. This opportunity is one that should not be neglected. Without a shift in favor of consumer goods, many economic problems in the realm of the market and the economy will remain unresolved. I attach great significance to market functions, especially those of incentives and monitoring. If structural changes bolster these two functions, in a year we will be a step ahead. At the present time both are actually disappearing. There is still pressure on wages, but this pressure is accompanied by passive behavior in the production processes.

The draft plan for 1986-1990 is perhaps not very attractive, because it includes large targets but it is realistic. Small manufacturing could play a very important role in carrying it out. The Government Presidium has adopted a program for its development drafted by the MHWiU -- it is a program scaled to our capabilities, not as great as our needs dictate but more ambitious than the targets of the National Socioeconomic Plan -- and all efforts should focus on it.

[Question]: Has local industry not been given too great a role under this program? It would seem that the various ownership sectors of small manufacturing should be treated equally, but local industry is clearly being assigned priority and special privileges. One proof of this is this year's joint resolution on this subject by the Council of State and the Council of Ministers.

[Answer]: It is not true that local industry is being favored. A great deal is being written about it, because it is a question of rebuilding it, and, in a large share of the voivodships, of constructing it from the ground up. In this respect a high card can be played, the possibility of utilizing production resources of raw materials and labor, which key industry is not and will not be using. The great factories' worry that small manufacturing is going to take manpower and raw materials away from them is in no way justified. Of course, these raw material must be in part assured by the central distribution system, but they are for the most part reserves that industry cannot use, if only because in the small towns and villages there is no industry. The reconstruction of state local industry is based on utilizing genuine untapped reserves.

Nonetheless, despite the law you mentioned that, for example, includes concrete tasks for local administration and people's councils, the rate of that reconstruction is slow. Between 1980 and 1985 there have been five new state enterprises of local industry, while 38 have disappeared. On the other hand, this industry does not exist at all in nearly 20 voivodships. This means that the voivodship administrations and councils in these voivodships are not interested in either improving supply to the local market nor in bringing income into the local budget. It is only in a few voivodships besides Warsaw and Katowice Voivodships that local industry is operating efficiently. Examples are

Kielce, Krosno, Opole, and Poznan Voivodships, but because these voivodships are convinced that it is beneficial to them, not because they are philanthropic.

[Question]: So why are the others reluctant?

[Answer]: To mobilize local industry from the very beginning is very often a tortuous road. Indeed, it costs a great deal of trouble and effort, but if there is a desire for a strong local economy, it is necessary to create a strong local economic framework to supply goods, materials, and so on. This is not discovering America. Sound economic reason dictates such action, and sooner or later all the voivodship governors are going to have to undertake it, but there will have to come a breakdown of a certain passivity that also come out of an attitude of doing what is comfortable and convenient, because it is simpler and easier to handle a local budget that is part of the central budget. On the other hand, in terms of ambitious long-range thinking, it is better for the voivodships to strive to have something of their own. It is true that those who already do are complaining about the difficulties, but they resolve many problems in their own area without waiting for somebody at the other end of Poland to supply them with a commodity for their market.

Unless the voivodships have a realistic view of local economic systems and bolster their own local budgets, we are not going to forge ahead. Nonetheless, human attitudes are not shaped collectively or in a uniform way.

[Question]: I heard somebody express the view that the voivodships' reluctance to found local industrial enterprises stems from the fact that the voivodships that have their own industry to feed their coffers receive correspondingly less support from the central budget. Therefore there is no incentive to do it, because they get money either way, and there are more problems.

[Answer]: If that were the case, the voivodship that developed its industry would come out to be a philanthropist. It is not just a question of financial incentives but of whether or not the voivodship has the sense of being in charge of its area. How much food spoils in the rural areas for want of something to do with it: fruit, vegetables, and even milk? What quantity of raw materials for construction, idle small brick production units, gravel pits, and lime mines are there? You can produce shingles, process timber. There are many possibilities. All that is needed is the desire.

[Question]: Many of these possibilities, however, are being exploited by the cooperatives and by the crafts and trades. Is it essential for each voivodship to have state-owned small manufacturing?

[Answer]: I place the emphasis on state local industry, because I consider its reconstruction and expansion to be the main direction for development of small manufacturing, but quantitative changes and, no less important, qualitative ones are also obviously needed in other types of industry. For example, the cooperatives take up many problems

and resolve them, but not all of them. There are regions where they play a minimal role or are absent altogether. Social organizations take a very active part in economic activity. There are already more than 40 of them in the coordinating committee over them (KKDGOS, for Committee to Coordinate the Economic Activity of Social Organizations-G.S.). Again, this is not philanthropy. The reason is that they see clear economic benefits. Because they have income from economic activity, these organizations can conduct and expand their statutory activity, be it tourism, culture, or something else.

Each type of small manufacturing has certain specific characteristics, and we should talk about each separately, but all must be geared to changes in the methods and technology of production, on upgrading quality and design. Their development also depends on this. This applies the least to handiwork, folk crafts, and artistic goods, but here to small improvements would be desirable. The time has passed when each item was essential to the market and accepted. Producers must gear themselves to competition in terms of quality and think in terms of good product finishing, in the marketing sense, and in terms of high standards. In this regard there are opportunities for all: trades and crafts, goods exported for Polish emigres, the cooperative sector, and state small manufacturing.

[Question]: But if things are so great, why are things so bad? Who opposes small manufacturing?

[Answer]: I do not see any opponents. The chief barrier lies within the sphere of attitudes and has psychological bases. We have gotten out of the habit of certain economic processes, and some time has to pass before our conviction about them returns. Nonetheless, even today we must use all possible effort to encourage, convince, and force realistic action. Throughout this renaissance of interest in small manufacturing, the thing is to change the attitude toward it in such matters as supply, the sale of unused machinery in key industry, and the acceleration of the handling of various formalities. This is so that small manufacturing can easily enter the market without the bureaucratic roadblocks, because it is often the beginning that determines the success or failure of a whole undertaking.

I am also emphasizing market relationships again, but joint production and export are also an opportunity for small manufacturing to develop. The present condition in these two areas fall far short of the possibilities and expectations in this regard. Throughout the world many industries are based on small plants that assure precision and high quality in the execution of various details and reliability of deliveries and in the product turned out. For exports, small-scale production makes it possible for a product to be individualized, and such a product can make it on even the most demanding markets. It is the crafts that are seeing that they are not taking full advantage of their export opportunities, because they can afford not only to individualize their product but also to respond to customers' needs.

[Question]: Are not excessively great requirements in turn being made on the crest of this activation of interest in small manufacturing?

Production for local markets would not seem to go very well together with production for export. I think it would be well, in order to avoid misunderstandings, to define somehow the place of small manufacturing in the economy.

[Answer]: It has a joint role to play in the economy, and in exports and joint production, the role is a supplementary one. Small manufacturing should perform those tasks which large producers are unable to perform satisfactorily owing to their lack of flexibility, their inability to shift production, and the fact that they produce in large series. In export, you have to push in wherever there is a gap. In many western countries the crafts have given way owing to large-scale industrialization, and products known to be hand-made or artistic are very well received there. Small manufacturing, including crafts, can therefore be a very valuable partner of industry in export efforts, if it is only handled properly.

[Question]: Well, are there any more "buts"? Attitudes are not the only barrier.

[Answer]: As I already said, I do not see any turning back from the development of small manufacturing, but if we want to accelerate it, the self-financing system must be better adapted to its specific functioning. Then there will be no need for any of the special facilitations being so widely discussed today, which thereby discredit small manufacturing as a creature that cannot stand on its own legs of its own power. Law 112 gave us a foretaste of such a system.

Besides that it is important for those who will found the new enterprises to increase exports or to undertake other developmental actions, to see the benefits more clearly. They are there now, but they should increase to a noticeable extent, because if we restrict ourselves to appeals and urging, we will wind up with only a few enthusiasts.

Small manufacturing will become more visible, if all the regulations of the reform are applied to it and if it is given tools and raw and other materials on an appropriate scale.

[Question]: Is there no contradiction here between this and your earlier hypothesis about setting up small manufacturing mainly to use untapped reserves and the means of production that industry cannot utilize?

[Answer]: No contradiction. These are parallel measures that should be supplemented in realistic work processes.

[Question]: But does not the "Sektor" drive cloud the atmosphere for small manufacturing?

[Answer]: Within the context of this drive opinions have appeared concerning a negative atmosphere with regard to the private sector and tendencies to reduce it in rank. This stems from a misunderstanding. Infractions of the law, dishonesty, and so on cannot be tolerated or accepted in any sector. The crafts and the so-called Polish emigre

firms are no exception, but the law is not broken any more often among them than anywhere else. Dishonest entrepreneurs and craftsmen represent a fringe on the whole private sector. The instances of dishonesty there are blown all out of proportion.

[Question]: There are often generalizations.

[Answer]: The Polish emigre firms also have an important role to play, and development is foreseen for them as well as for the crafts. The former are undergoing a purge of the people who wound up in their positions by accident, abused their privileges and authority, and were unable to find a place for themselves in our economic system. On the other hand, the crafts have an ages old, proud tradition. The position of the crafts is defined and cannot be undermined. Many craft firms are proving their supreme usefulness.

[Question]: Does not the small manufacturing law, which formulates its goals concretely in nine points, limit the small enterprises' freedom of operation, and does not go against the reform? The law on enterprises demands of them only economic effectiveness.

[Answer] Small manufacturing's sphere of operations as specified in the law is nonetheless very broad. It is true that certain preferences have been set down there, but from the viewpoint of structural changes in the economy, the listing of certain directions for expansion is essential and desirable. This applies, for example, to processing in food and agriculture, to the production of building materials, and to service activity. The fact that electronics, for example, is not mentioned does not mean that small manufacturing enterprises cannot engage in that field. Firms after all are doing so and with great success. On the other hand, the preferences take into account both needs and the possibilities in terms of raw materials.

[Question] The question of wages in small manufacturing is giving rise to a great deal of emotion. For certain types of it, like cooperatives, low wages are probably the real barrier to development. For others, especially the Polish emigre firms and crafts, they are also a barrier, but for a completely different reason. There the high earnings hit you in the eyes and are often the subject of criticism and hatred.

[Answer]: The small plants cannot suffer wage discrimination. Work in them often requires more comprehensive qualifications than work in large plants, where there is greater specialization. Very often unique experts make their way to small manufacturing, and these plants must adapt their pay appropriately to the worth of their work, especially since it is not difficult to assess someone in a small plant. The responsibility is an individual matter. A person cannot hide in a large workforce or with "cooperators." Here work takes on humanistic meaning. People are not separated from the effects of their activity. They see that if their work is bad they can lose their good reputation, and nobody usually wants that. This is also one of the important virtues of small manufacturing. Step by step the self-financing system is adapted to the value of the work which the people put out.



[Question]: What is the role of the council you chair in supporting and bolstering the development of small manufacturing?

[Answer]: I would not exaggerate my assessment of the Small Manufacturing Council, nor that of other councils of that sort that are advisory, consultative, and inspirational bodies of the government, although they are bodies made up of specialists that can and do manage to give good advice on various solutions using economic and financial instruments and on the choice of direction for government policy, and they can play an important role in creating opinion, but most important are the enterprises themselves and their branch structures, and in relation to local industry, the voivodship administrations. It is upon them that the most depends.

[Question]: Thank you for the interview.

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CSO: 2600/52

## STATUS OF SMALL-SCALE MANUFACTURING IN BIALYSTOK REVIEWED

Bialystok GAZETA WSPOLCZESNA in Polish 4 Sep 86 p 1

[Text] Small-scale manufacturing, in order to properly fulfill its important economic and social role, must be assured the conditions crucial to its growth. These are above all a legal guarantee of permanence, stable rules for supply of machines, resources and materials, an economic and financial system conducive to growth in manufacturing and services, necessary codification of the tax system and an appropriate preference system. This was affirmed during a conference of the SD Provincial Committee in Bialystok yesterday, 3 September. Participating in the meeting, devoted to a discussion of the issue of small-scale manufacturing in light of the plan prepared for the years 1986-1990, were Roman Wojnarowski, director of the Department of Public Policy of the SD Central Committee; Tadesz Trzaskowski, secretary of the PZPR Provincial Committee and Eugeniusz Gosiewski, secretary of the ZSL Provincial Committee. Eugeniusz Kulakowski, chairman of the SD Provincial Committee, chaired the conference.

A speech by Jozef Eljasiewicz, SD Provincial Committee vice-chairman and Jan Legieta, director of the Small-Scale Manufacturing Department of Warsaw University, preceded the discussion. It was noted that the SD devotes much attention and concern to activity in areas which are traditionally areas of the party's political and economic interest. Currently small-scale manufacturing concentrates a state enterprise of regional industry, nine national machine centers, 10 cooperatives for the handicapped, 33 work cooperatives, a peasant handicraft cooperative and crafts in Bialystok province.

Further development of vital, especially crafts, is necessary, particularly in the villages and small communities. But there must be an increase in requirements as far as models and the quality of products and services are concerned. The development of the agricultural-food and building materials industries and manufacturing and services on behalf of the food economy has particular significance for the flow of consumer goods. In this field, as well as in many other associated with small-scale manufacturing, an immeasurably important role falls to the people's councils and regional administration.

The participants pointed to problems with coal and coke to supply craft plant rendering services in the villages. The opinion was expressed that although

this is contrary to current directions in economic reform, the most effective method, as far as present management is concerned, appears to be a system of operating programs and government orders. This has undoubtedly made for numerous simplifications but has also placed precisely defined responsibilities on producers and suppliers.

Speaking during the discussion, Tadeusz Trzaskowski called attention to the under-representation of small-scale manufacturing, especially crafts, in exports. Harmful tendencies toward self-satisfaction have caused the creation of enormous reserves of certain goods, including work clothes. The results of audits by the Supreme Chamber of Control and the District Inspectorate demonstrate the need to put many matters in order. Small-scale manufacturing must look for the most effective means to use to the greatest degree the resources of which we have a surplus--agricultural products, wood and minerals. Much also depends on the inventiveness and initiative of the craft industry.

In his speech, Roman Wojnarowski discussed changes in some laws that will favor the growth of small-scale manufacturing activity.

At the end of the conference, the SD Provincial Committee position and a resolution on small-scale manufacturing development were adopted.

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CSO: 2600/66

## REPORT ON REGIONAL SEMI-PRIVATE FRANCHISE SECTOR

Kielce SLOWO LUDU in Polish 15 Sep 86 p 3

[Text] The word "agent" most often brings to mind a person who does undercover work for a foreign intelligence service. But that name is also officially given to those who--in cooperation with socialized firms--run shops and eating establishments. Agencies have a tradition of more than 30 years in Poland, but the real boom came in the years 1978-1979. It was acknowledged at that time that the growth of this system would help improve the condition of trade. We know, after all, that an agent does not have to rely on distribution lists--he can outfit himself from various sources, as long he does it legally. He should also, having his own interests in mind, save on employment and try to win his customers' favor.

In the beginning agencies worked like a tonic on the retail network. In shops with the letter A on the window, the variety of articles pleased the eye and the doors were open during hours convenient to customers. The food business also breathed easier. But the economic crisis knocked the trump card out of the agents' hands. Many gave up because of dwindling supply capacities.

Today the semi-private sector plays a background role. In Kielce province, mainly fruit and vegetable and flower shops have survived the most difficult period. These are the most numerous (not counting about 1000 "Ruch" kiosks) among the 1461 agencies, whose sales comprise 6.8 percent of all retail sales in the region.

Twenty-eight shops belong to the Społem cooperative. Agencies have been abandoned in food establishments--11 vegetable and eight florist shops remain. The Provincial Trade Enterprise currently works with 45 agents (70 in 1980). They are supplied mainly with goods produced by the crafts industry. For the chance to operate under the Provincial Trade Enterprise's wing, the firms pay a lump sum into a fund, last year a total of 25 million zloty. Not a bad deal for the enterprise, even though it must sacrifice part of that money to pay rent, Social Security Agency contributions and income taxes. Agents, on the other hand, must pay the bills for energy, transport and paper, and so earn more than employees in state shops. But in turn they must often do the work of salesperson, supplier, driver and cleaning person. They also usually work under more difficult dwelling conditions and deal in the most troublesome goods, i.e., paint.

Agencies are therefore beneficial to tradespeople from both sectors, but customers have much benefit from them then a few years ago. Members of the Committee on Consumer Goods, Small-Scale Manufacturing, Services and Crafts of the Provincial People's Council came to that conclusion recently. More and more agents are offering the same goods one can buy in state establishments. They are less concerned about the cleanliness of their premises and the level of service, and they are closing their shops earlier. They have also been known to do businss "on the side." Committee members thus acknowledged that it is better to run an agency only in cases where operation of a socialized establishment is less convenient. And incidentally, agents are more effective in small eating establishment than in retail trade.

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CSO: 2600/66

## SOUTHERN LINE COMPLETED IN POWER NETWORK

Warsaw RZECZPOSPOLITA in Polish 26 Sep 86 pp 1,8

[Text] An important stage in the expansion of Poland's ultra-high voltage network has been completed with the new 400 kV Rzeszow-Tarnow-Buczyna-Tuczawa-Joachimow-Rogowiec southern line.

On this occasion the minister of mining and energy, Gen Div Czeslaw Piotrowski, met with the producers and builders of this major energy venture on 25 September in Tarnow.

Among the many needs in the expansion and modernization of the transmission network, seen as most urgent in the years 1983-1986 are capital expenditures associated with bringing in power from the Belchatow and Polaniec power plants and implementation of the 750 kV transmission system on the Rzeszow (Widelka)-Chelmino Atomic Plant (USSR) line.

The completion of the 400 kV southern line means reduction of transmission losses of electrical power and completion of crucial connections between 220 and 110 kV networks has augmented electrical power supplies for major municipal and industrial centers in southern Poland.

The 400 kV system, called the "southern line," connects in the east with the Polaniec power plant and the 750/400 kV station in Rzeszow (Widelka) and through a 750 kV line with the Chelmino Atomic Plant in the USSR. To the north the system connects with the Belchatow plant (the 400/220 kV station in Rogowiec) and to the west, through the existing Joachimow-Pasikurów line with the Western Energy District (in the future the Opole power plant now being built will be connected to this line). Finally in the south the system connects with the Czechoslovakian electrical power system through the expanded Wielopole Station.

The following data illustrate the scale of the work completed: 892 km of 400kV line (as converted to one line) were built, about 5500 km of working line were used, the new 400/110 kV Tuczawa station was built and the Tarnow-Poludnie, Joachimow, Wielopole, Czestochowa and Gliwice stations were expanded. Total expenditures for the entire southern line came to about 15.5 billion zloty.

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## POWER PLANTS PLANNED FOR GDANSK, GDYNIA

Gdansk GLOS WYBRZEZA in Polish 9 Sep 86 p 2

[Excerpts] The Northern Energy District in Bydgoszcz called a press conference yesterday (8 September), Energy Day, devoted to the energy problem in Gdanski Province. Prefacing that topic was information presented by directors of power plants operating in the province. Jerzy Ogonowski, chairman of the meeting and managing director of the Northern Energy District in Bydgoszcz, gave a general assessment of the state of energy production.

The Northern Energy District closed the first half of this year with positive results. A five percent reserve of heat energy, compared to planned consumption, as achieved. But the heating base is inadequate and requires further investment. From the information obtained it is apparent that inadequate residential heating does not result exclusively from a shortage of heat energy.

However, expansion of power plant II in Gdanski and power plant III in Gdynia will be solution to many heating problems. Specifications for these capital expenditures have already been prepared.

The problem of waste disposal, which so troubled residents of Nowy Port this summer, was brought up at the conference. Until the new waste disposal site is open in Przegalin, the power plant will dispose of waste at a temporary site in Letnica. The opening of the disposal site in Przegalin is expected in the first quarter of next year.

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CSO: 2600/66

## 'IRREGULARITIES' IN LODZ AREA POLONIA FIRM ACTIVITY CITED

Lodz GLOS ROBOTNICZY in Polish 9 Sep 86 p 6

[Text] There are 36 Polonia firms employee 3445 workers (the designated employee limit of 4900 people has not been used) operating in Lodz province. In 1985 the value of their sales of products of services was 62 billion zloty. The clothing and textile fields and plastic products make up the majority of the firms. There are also companies engaged in food preservation and manufacturing farm machines and equipment.

The Provincial Committee on Profiteering dealt with the operation of Polonia firms and the irregularities manifested in their activity at its meeting yesterday (8 September). A representative of the Treasury Department said that Polonia firms were created in part to supplement consumer goods production and were to buy, with (their own) foreign currency, material and equipment for production abroad. But many of them have taken the easy way out: they spend zloty in Poland, often buying scarce articles, and often appealing for help to those standing in line. One foreign firm in Lodz did a really brisk trade by buying discounted (second rate) but no doubt standard leather in a state plant in Lublin--for 50 million zloty. The raw material for that furrier plant was purchased abroad with foreign currency. The prosecutor's office took an interest in the matter. The Lublic "discount specialists" have already gone behind bars.

Not at all foreign firms are fulfilling the contracts made with entities of the socialized economy. For example, they reluctantly abide by the obligation--in making purchases--to contribute their foreign currency share. One Polonia firm in Lodz already owes \$88,500, \$70,000 to the Petrochemia plant in Plock alone.

And one more example: foreign firms works a number of "miracles" in their bookkeeping in order to squeeze whatever they can into their costs. In one firm, an audit revealed an unusual number of invoices for flowers. And then we are surprised that prices for certain products can make our heads spin. Well, flowers are expensive.

The State Trade Inspectorate uncovered the sale of vehicle parts for convertible currency by a Polonia firm in Poland. The Provincial Office of Internal Affairs said that one foreign firm representative even appeared in



the role of fence. He was building a small residential section and ran out of cement. He wanted and bought some that had been stolen.

So far the irregularities uncovered, including tax reductions, overstepping of authority, etc., have led to revocation of nine operating permits for Polonia firms in Lodz and three more revocations have been prepared.

Of course, not all firms of this kind "support" their activity by evading laws and regulations. Many of them offer sought-after, valuable products and are exemplary, honest taxpayers. The instances of dishonesty by representatives, general manager and even owners, not at all isolated as it turns out, give a bad name to all of them, for which the honest ones suffer.

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CSO: 2600/66

## FATE OF KOWALSKI TURBINE INVENTION FOLLOWED, QUESTIONED

Warsaw ZARZADZANIE in Polish No 9, Sep 86 pp 14-16

[Article by Andrzej Krzysztof Wroblewski: "A Merry-Go-Round"]

[Text] In the Kowalski affair, there is and was too much ideology to brush it aside in a single sweep and to focus only on the technique. Too many authorities, and highly placed ones at that, are involved in this controversy so that dry logic, technical advantages and shortcomings alone are sufficiently convincing.

The majority of those cynical of Kowalski's invention gave up the struggle when in February 1986 General Jaruzelski stated from the tribunal of the 24th Plenum of the Central Committee: "...with regard to these exceptionally valuable solutions, explanations will be forthcoming, and those responsible for the delays and setbacks will be determined." Fortunately, somehow everything quieted down and no one is hounding the guilty as usually happens in Poland. Fortunately, because some other time we would have heard that those guilty of undue haste, recklessness and squandering public funds would be punished. During the several score interviews I held on the subject of Kowalski's invention, I was never certain if my interviewee said what he thought or said what he thought he should say. A journalist is not in a position to follow all of the implications of ideas and interests if he does not understand the subtleties of fuel/air mixtures and other technical details of the invention. He cannot even determine properly which interviewees are not telling all and are altering the facts because of good will or premeditation.

#### Who Risks His Own Money?

There is the promise of wonders. Those anxious to buy a turbine write to the MOTOR Craft Cooperative in Poznan. I asked the Cooperative's director, Tadeusz Nowak, if he is apprehensive about the hopes expressed in the letters. After all, the invention had not been fully verified, and there may be some surprises in store.

"What kind of surprises?," queried the director with astonishment. I do not know if his astonishment is sincere or a bluff. "I have had such a turbine installed in my Polonez from the very start, and I can sense a big difference.

We now have 20 prototypes. I have the expertise of the IL [Aviation Institute]. What is there to fear?"

MOTOR is neither the first nor last link in the chain stretching from initial concept to manufacturing. But I am seeking the one who is risking his own money because he should be the most prudent and cautious, and he will provide to me the most promising new ideas and evaluations. Can bread be baked from this flour?

Among MOTOR's 300 employees, 14 will be manufacturing the turbine's components. New, more efficient machines must be purchased for these 14 people. But the risk is small considering they will probably receive a government order for the turbine, which will be followed by a 3-year income tax exemption, an interest-free loan to buy automobiles, and priority for supplies. This priority, the director said, does not even have to be a priority. It should be at least an equality of rights. However, the discussion with the state supplier ceased when the word "craft" was mentioned. Perhaps with a government order, at least our partners will not be afraid.

MOTOR's decision was neither reckless nor rash. During the discussion, the chairman of the Board of Directors, also an engineer, reminded us of the well-known adage: an automobile burns either gas or valves; there are no miracles. The use of the turbine may shorten an engine's life. However, his doubts were dispelled when he travelled to Warsaw to the IL where he examined a turbine-equipped engine that was disassembled after the tests were completed. The engine was as clean as a whistle. It was then that MOTOR decided to proceed with full production. The press reported how many thousands of units would be manufactured even this year. This was followed by letters from far-sighted drivers who believed and wanted assurance of being among the first to obtain a turbine.

Proponents of Kowalski's turbine state it reduces fuel consumption 18-20 percent, to say nothing of the cleanliness of the exhaust gases. At current gasoline prices, this would permit savings on the order of 50-60 billion zlotys annually. With such savings, risking one, two or even 10 million zlotys is worthwhile. My goal is not to set the guillotine in motion and then to seek victims. Instead my goal is to reflect on what the level of risk should be, a risk said to be "justified."

Whether the risk is justified or not is announced, in general, after its success has been established.

#### Kowalski's Idea Would Have To Be Invented

Kowalski's idea to preheat and mix more precisely the fuel/air mixture is not an entirely new idea. Many professionals and amateurs all over the world puzzle over the same idea, including designers at the FSO [Automobile Factory] OBR [Research and Development Center].

In a moment that was fortuitous for Kowalski, the Committee on Scientific Affairs and Technical Progress was formed, as a logical step in the reform of our enterprises, to finance costly research and application work for

enterprises that are too weak to do it on their own. Dr Wieslaw Ilczuk, the Committee secretary, in July read in RZECZOSPOLITA about the "Drop of Fuel" automobile rally. Among others, Alojzy Kowalski, a foreman from Turin, participated in the rally. He made a number of improvements in his mass-produced Polonez and achieved quite interesting results.

At one time Ilczuk studied at the department of aviation; then he worked in propaganda in the party apparatus. He understands how an internal combustion engine operates. He also understands how mass psychology works. It would be good to show some kind of technological success to counteract the general stagnation. Walter once said tht even if God did not exist, He would have to be invented. Ilczuk said the same thing about Kowalski.

Of course he did not invent him. Kowalski really exists. Ilczuk telephoned the FSO to tell them about the inventor. The FSO representatives said they visited Kowalski in Torun; Kowalski said the FSO demanded money to guide the invention. However it was in reality, mutual dislike resulted, to put it mildly. As a result of this, Ilczuk took matters into his own hands. He himself drove to Torun. Then he brought Kowalski to Warsaw, to the Committee's headquarters, which is located in the URM [Office of the Council of Ministers] building complex. Thus, the inventor saw it was not a joke. Ilczuk also asked a patent attorney to submit an application without delay. The man who waited 35 years with his invention now had a patent application in one-half hour!

"If it were not for the Committee's influence and our know-how, we would not have resolved everything so well and so quickly," said Ilczuk. He also has no doubt that Kowalski's turbine will turn out to be a success. But he also is not risking his own money; at most he is risking his 125p automobile (with a Polonez engine) in which a Kowalski turbine was incorporated. "It was a ponderous machine, now it is a rocket!" he assured me.

Thanks to the Committee's influence, the matter was not hidden away in some drawer. A prototype of the turbine, for which a patent was assured, was given to the NOT [Chief Technical Organization] specialists for evaluation. These specialists, members of ZORPOT [Association of Centers for Technological Advancement and Expertise], immediately perceived what was new in Kowalski's idea: his turbine, which is placed beneath the carburetor, does not actuate some kind of complicated propulsion; instead it affects the momentum of the air itself, just like a fan in a funnel. One of the ZORPUT specialists was Docent Engineer Antoni Jankowski of the IL. When prototypes of the turbine were developed, he offered to test them further in his laboratory at the IL.

We shall return to this matter again. Ilczuk pushed the matter forward energetically. With ZORPUT's provisional test results and later with IL's test results in hand, he invited all possible interested parties to meet with the Committee: industrial enterprises, work cooperatives as well as rivals from the FSO and the Lodz Carburetor Factory. Kowalski's turbine-equipped automobile was parked near the URM building.

"Any one who wants to may drive it," stated Ilczuk, "and anyone who wants to may share the risks with us. The tests are almost completed, and the results look promising. However, we do not need kibitzers."

Several groups left the room. Most remained. But only one was unhesitating: Engineer Nowak of Poznan's MOTOR Cooperative. He also favored the turbine not merely on the basis of theory alone; he had a turbine installed in his own automobile. The FSO was also represented at the Committee meeting; Director Salomonczyk even drove Kowalski's Polonez. But this did not make friends of the two quarreling sides.

On the Streets of London, Paris and Rome

No one is questioning either the knowledge or good will of our design cadres. However, experience teaches us that some people give their best while others do little. In a socialist economy, an automobile factory does not fear competition, and if the need for exports did not exist, this factory would introduce even fewer changes and improvements in its products. Thus, there is no "suction" waiting for something new. Instead there is a sense of security and a no-time-limit research and improvements program.

The FSO is reserved with regard to Kowalski's invention. Perhaps this is understandable, since all of them are professionals and he is an amateur, a master tinkerer, who has never even seen the measuring equipment used by the professionals. Who tested the automobile with his fuel saving turbine? Interested parties as well as journalists whose judgments, if you please, do not warrant unlimited faith. Today the weather is such and such, tomorrow is is different; the driver's frame of mind changes; the rapidity of acceleration and braking and even the quality of the gasoline may make a difference!

"But tests were conducted at the Bielsko Biala FSO," I retorted timidly.

In Bielsko Biala! The FSO tell me it would be worthwhile to read the Bielsko Biala test reports. Is it not odd that a device for the Polonez is tested everywhere except where the Polonez is made, and where the only equipment to perform factual tests can be found in Poland?

Indeed, it is odd, Kowalski detests the FSO and does not want to work with them. The FSO officially requested a sample of the turbine, which is already being mass produced but still has not been incorporated in the Zeran. The FSO was told to buy a license from the patent owner or ZORPUT. Tests were conducted at the IL for ZORPUT. Quite a lot of money is involved here, but some discrepancies exist regarding the sum. The IL said it received 1 million zlotys; ZORPUT said it paid 17 million zlotys. Regardless how much was paid, it is an incontrovertible fact that the IL is an authority on engines but not automobiles.

At the FSO OBR, I was shown the special equipment to test an automobile in accordance with strict European standards. An automobile sets on rollers that are turning at the proper speed to simulate a real ride. City driving is simulated per a program that was compiled after 6 months of trials on the streets of London, Paris and Rome. While the automobile is being tested, a large foil bag traps and analyzes exhaust gases from the rear. The test data, which are recorded in a prospectus, may not be advertising hype, only the real truth.

And how were the tests conducted in Bielsko Biala?

In Bielsko Biala, if you please, the tests were conducted in a somewhat Polish manner. It turns out that suitable automobile and the stipulated fuel were lacking. In conjunction with this, Docent Jankowski of the IL and Dr Swiatek of the FSM noted in writing: "...in as much as it is now impossible to conduct tests because a proper automobile and the stipulated fuel are lacking, at the recommendation of the IL, it was agreed to conduct comparison tests."

This means it was uncertain how much fuel each automobile consumed individually. The only determination made was that, under equal conditions, one automobile burned more fuel than the other automobile.

"We did not tell the drivers which automobile had the turbine in order to eliminate their subjective attitude to the tests," Docent Jankowski informed me.

All this confuses me a bit because I cannot accustom myself to the facts that an engine with a new fuel-saving turbine is being pushed by an ex-party activist, tested by the IL, tested on an improper automobile using nonstipulated fuel, implemented by a work cooperative while the automobile factory, the carburetor factory, the Motorization Institute and even several polytechnics look on from the sidelines. Perhaps it is the natural selection of more energetic, willing and aggressive people, but can it also be the deliberate omission of more competent, prudent and exacting people?

Engineer Zenon Rudak of the FSO OBR showed me a newly introduced improvement in the Polonez engine: the shape of the suction collector was changed to distribute the fuel evenly, and a new carburetor and thermostat-equipped air filter have been added.

"Thanks to these changes, we save 3 liters of fuel per 100 kilometers," states Rudak. "But the effects of our work is diminished because of the well-known production difficulties--different bearings, different rolling frictions, other subassemblies and a different assembly method, enough to make one's head spin. That is why, with regard to the performance of the new Polonez model, we are cautious and claim only 1 liter of fuel savings. When evaluating a Kowalski automobile, it should be remembered that greater savings can be achieved using a better bearing than using that famous turbine."

Kowalski's staunch supporters say that the FSO started to investigate its voracious Polonez engine only after being pressured by the Kowalski invention. In this sense, in reality, even if it did not exist it would have to be invented. But Engineer Wlodzimierz Sel, the OBR director, was indignant over such an imputation: "One has to be completely illiterate concerning technology and industrial reality to believe that such an engine change can be implemented in a couple of months. We have been working on this for 3 years now in association with the Lodz Carburetor Factory."

In turn, 3 years appears to me, a layman, somewhat long. I learned later that it will take the FSO at least 6 months for its tool room to make the forms for

the new collector. Perhaps if they were pestered by competition they could manage to do it in a year. Lacking subjective necessity, objective barriers come to the fore: there is a shortage of tool makers, there is a shortage of everything, only time is in abundance.

### Everyone Is Protected

Let us return to the question: Who weights the risk and separates the justified from the unjustified? The Committee responded with its money. At most, it recommends that the executive organ, the Office for Technical progress and Applications, order the production of the turbines for the government. MOTOR, which will receive the order, risks very little, practically nothing. The turbine affair has made it so popular in Poland that even a flop in one area will be compensated with interest in other areas. As ordered, the IL tested one turbine-equipped engine, comparing it with a non-turbine engine. "We are asked if this invention should be implemented," stated Docent Jankowski. "What can I say? It is not my affair. We tested one turbine and not all of them." Who asked, who ordered and who owns the patent? According to ZORPUT, Kowalski got over 2.5 million zlotys based on costs already incurred. In addition, he will receive from the producers a certain percentage of the producers' turbine sales.

ZORPUT paid out this 2.5 million zlotys from its own funds. Is this the whole story regarding the question of risk? Yes and no. ZORPUT is a business, but the money it earns after its own costs are deducted is reinvested in the economy. Thus, the risk of loss is not horrifying.

ZORPUT's chief, Director Sobieslaw Zbierski, says Kowalski is a seasoned expert, the kind who can infer more from the color of an automobile's exhaust pipe than anyone with an electronic machine. Is he nervous? Speaking sincerely, he is, although he notes that the risk is minimal. At last, 20 turbine-equipped automobiles are being tested and all of them are providing better results. But above all we have IL's pronouncement!

I would not dare to cite my own experiences. I drove two Polonezes equipped with the Kowalski turbine. I drove one of them, belonging to the director of MOTOR, around Poznan. I drove the second one, belonging to the IL, over the Katowice highway near Warsaw. Both felt more powerful than other ordinary cars. In one car, I shifted into 5th gear at 50 km/h; in the other car, I achieved 160 km/h without difficulty. But as a journalist, I have been aware a long time that journalists often write authoritatively on matters they are not familiar with, and we have caused too much damage to repeat these sins. Let others judge these automobiles.

Unfortunately, there are few centrists. My fellow journalists are roughly divided into fundamentalists and empiricists. The fundamentalists say physics does not deceive. The empiricists calculate how much fuel goes into the tank and how many kilometers are travelled. The fundamentalists complain that the empiricists have an interest in supporting Kowalski because they get to use his turbine for free. The empiricists complain that the fundamentalists have an interest in opposing Kowalski because they remain in the pay of the FSO. Almost everyone writing on this subject limits the circle

of his interviewees to those supporting his position. This is not the best testimony for us journalists.

The contests and trips were supposed to be a more objective verification. The empiricists organized a test: Will a Kowalski or non-Kowalski driven car travel further on a liter of gasoline? Obviously, such a test is meaningful only for advertising purposes. For such a short distance, driving techniques are more meaningful than the carburetor adjustment. Kowalski drove 600 meters further. Later, he said that he inadvertently drove with the handbrake applied halfway.

The fundamentalists organized a drive over a long route, over 1,000 kilometers, from Warsaw to Gdansk and Kielce and back to Warsaw. ZORPUT did not participate in this drive, stating it would not be fair competition because the FSO would employ its factory drivers in cars that would be adjusted to discredit Kowalski, even if the cars had to be scrapped immediately afterward.

What a wonderful country, where one can conduct such struggles and not lose the public's confidence! Despite everything happening publicly, despite public opinion knowing, as a matter of fact, that faith in Kowalski's miracle is based on incomplete prerequisites, a wave of anxious people responded to ZORPUT's press release that it is accepting orders for installing the turbine. I believe that even if advance payment was required, not many would decline. We are descendants of Mr Zagloba, and buying Netherlands is nothing new to us.

#### There Are Neither Victors Nor Vanquished

Finally, but not without difficulty, the minister of mining and engineering industry decided on something that could be called final: ZORPUT delivered to the FSO a Polonez equipped with a Kowalski fan. A test program was approved, that is, first, comparisons would be made with the fan installed and then without the fan. One more detail, somewhat far reaching: it was agreed that no commotion would be made concerning the tests so that there would be neither victors nor vanquished, and that there would be less ideology and more technology.

At times, the pious intentions were thwarted by nosy journalists, reminding one of the Watergate affair. FAKTY, the FSO publication, learned about the race and test results and published them. At 70, 90 and 120 km/h, the results are actually identical. In city driving, the turbine-equipped automobile consumed 11.25 liters; the turbineless automobile--10.42 liters. The turbineless automobile emitted less exhaust gases.

The final turns out to be just only another stage. The minister who matched the partners with such difficulty received a letter from ZORPUT suggesting a divorce: FSO did not adhere to the conditions, thus we decline to participate in further tests. Three weeks later, Dr Ilczuk and Director Zbierski held a press conference stating that production is in accordance to plan, that the



first couple hundred turbines will be installed in June, and that several score thousand will be installed by yearend. Not one word was mentioned about the FSO test results. Conversely, the turbine will be exhibited at the Poznan Fair as an offering of Polish science!

The country that bases its system on unity cannot find one, unimpeachable authority who can state the true value of the turbine and what sense it makes to use it. The country that has too few cannons permitted the muses to stifle them. Perhaps Kowalski would have to be invented if he did not exist. But would it not be better to develop a system promoting inventions that would promise greater returns but would also prevent huge losses of our funds?

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## TRADITIONAL, REFORMED SOCIALIST ECONOMIC SYSTEMS COMPARED

Warsaw ZYCIE GOSPODARCZE in Polish No 41, 12 Oct 86 p 8

[Report on political economy conference in Solin, by Marek Misiak]

[Text] Even before the start of the new academic year, college curricula are being discussed more than usual. But the discussion of the political economics curriculum for students in economics courses currently has broader aspects in Poland. In the past 40 years, many political economics textbooks have emerged and some have even had several printings, but up to now they have not fulfilled expectations. Mainly because they do not provide an adequate response to questions raised by economic practice. This observation was confirmed in a discussion by leading representatives of political economics departments from throughout Poland who met in Solin at the end of September at a conference organized by the Main School of Planning and Statistics on the role and function of political economics in educating economists. Workshop issues were the main topics of discussion. But against this background, broader reflection on the connections between theory and reality also follows.

As was said in Solin, we are dealing with four trends in the development of the political economics of socialism in Poland: traditional-conservative; moderate critical and moderate reformist; radical, propounding immediate reform of a comprehensive nature and finally, pragmatic. Most Polish scholars involved in political economics have had some experience with all of these trends.

Also discussed in Solin were some institutional problems in executing the political economics curriculum in higher schools (in economics and non-economics departments), including the subject of textbooks.

Professor Wacław Wilczyński, for example, feels that the program of the history of economic thought should be expanded, seeing in this a means of expanding student knowledge about categories and facilitating understanding of contemporary economic phenomena.

The separation or non-separation of lectures into the political economics of capitalism and socialism was also debated. In the opinion of Professor Jędrzej Lewandowski of Warsaw University, combined lectures help avoid repetition and permit precise presentation of the similarities and differences in their

operation in capitalist and socialist (both traditional and reformed) economies. Professors Wieslaw Sadzikowski and Iech Miastkowski spoke in favor of separate lectures on capitalist and socialist political economics.

Conference participants also heard the opinions of representatives of the National Center for Economic Studies in Warsaw on the result of research on economics students' perceptions of courses in socialist political economics. But from the research there also comes the notion that political economics must arm students with knowledge that facilitates their getting along in the economy as it really is and will be in the future, thus a reformed economy.

Economic reform, in order to meet expectations, must have genuine public support. To this end it should be propagated by someone who is respected and who counts on its chances for success. That was the view of Professor Mieczyslaw Nasilowski in his report, "An Outline of the Theory of Institutional Reform in the Socialist Economy."

What are the attitudes of mid-level political and economic workers, directors and management personnel, society (besides the groups mentioned) and the decision-making center in relation to implemented economic reform in Poland.

To these questions the author of the report responds rather moderately. Many workers fear for their careers or positions in a reformed economy, since they grew up under conditions of domination by methods based on direction and distribution. Attitudes of directors and plant management personnel are varied. Indeed, most feel acutely the effect of traditional, ineffective methods of management, but not all see their interests--under circumstances of much incohesiveness in initiated changed--in boldly executing their right to independence. It often seems that questioning the "top," concealing reserves (just in case), etc., is most expedient.

Attitudes in other social groups are also extremely varied, especially against the background of needs and aspirations in the area of improved living conditions. For example, necessary increases in retail prices, resulting precisely from the delay in reform and a lack of sufficient progress in pro-efficiency reconstruction of the economic structure, in the minds of certain social groups may seem to be the result of reform. The social discontent accompanying this, especially among the working class, may be exploited by overt and covert opponents of reform to impede the speed and scale of implemented reform ventures.

The pragmatic trend of socialist political economics requires a realistic evaluation of all conditions of reform, including social conditions. On this background, the concept of implementation of reform, without abandoning the radicalism of planned solutions, must assume their gradual introduction. The direction of reforms emerging from pragmatic socialist political economics should lead to decisive changes, but these changes must be spread out rationally over time.

But one threat to implementation of the pragmatic direction of economic reform can be in part the introduction of incomplete changes, so that not only can

one not expect anticipated results, but also cannot implement them completely, even in that incomplete form.

One cannot dismiss the possibility of achieving certain limited benefits that such incomplete changes may bring. For example, at a certain point they can make the operation of central administration more efficient, eliminate certain unnecessary reports and limit the excess of superfluous information, fortify the operation of economic incentives in certain segments and diminish them where they produce the most unwanted side effects. Thus much can be changed, even leading to the evolution of repressive forms of management into paternalistic forms. However, at a specific period of development (different in every country since it depends on the coming together of many circumstances), one can observe the phenomenon of exhaustion of possibilities for positive action by these changes. Not because one cannot plan further combinations of them (here the possibilities are endless) but because at a certain point they lose their effectiveness in some areas, i.e., in the area of motivating efficient work. This creates a threat to economic stability and makes progress in efficient management impossible.

One example of an incomplete change, although it is one that has much significance if "teamed" with other components of economic operation, is the recent elimination of directive planning and the granting to firms of full, official independence in this realm as well as considerable, official authority to worker self-management units. But this change was not accompanied by appropriate changes in the system of prices and finances. Although a reduction of the defects in this system occurred in 1982, after a certain time one could observe symptoms of regression in this regard.

In M. Nasiolowski's report, 10 segments were mentioned which in the author's opinion should be considered simultaneously with changes in economic operation in order to guard against the incompleteness of these changes. Although all divisions of this kind are essentially conventional, it is probably worth acquainting our readers more closely with this decalogue of economic reform. I am offering it below in table form for greater clarity.

One could debate over whether these or other items correspond to each other adequately or whether there is something missing or too much of something in some of them, but they fulfill a useful function. They describe fairly well the field of issues analyzed. They help guard against simplified conclusions resulting from certain specialized studies. Because highly developed specialization among economists often means that they see the main reasons for failures and means for improvement in the fields they know best, ignoring or underestimating the rest.

But the most important issue is a realistic assessment of the social and economic conditions of reform so as not, on one hand, to exaggerate its proportions, which can signify ostensible changes, and, on the other hand, not to succumb to excessive radicalism, risking the loss of public support. In the opinion of Professor Jerzy Rutkowski, facts should be considered above all in socialist political economics courses. Postulated directions of economic reform should be examined on the basis of the facts to which they lead. For only description of real processes and analysis of real phenomena in all the

correlations one can examine will ultimately make possible disclosure of trends, pointing out the way a given system moves, while also taking into account counteractive factors responsible for possible restraints on or deformation of that process.

#### Traditional System

1. Monopoly of state authority and ownership. High degree of assimilation of cooperative ownership to state ownership. Tendency toward total collectivization of agriculture and the private sector.
2. Economic organizations are hierarchically subordinate to the central administration with specialized administrative bodies as intermediaries.
3. Central planning has a directive character conducive to direct management and control of the entire national economy.
4. Supply of crucial resources is carried out on the basis of distribution with specialized administrative bodies as intermediaries.
5. Nomenclature of ranks from the lowest levels of direct management. Double subordination of management of economic organizations to political authority and central economic administration. No responsibility for decisions at the highest level of management. Production conditions based on dependence and subordination.
6. Administrative-social prices not objectivized. A great number of prices are kept low according to plan, requiring subjective and objective subsidies. Remaining prices are fixed mainly according to a cost formula. They are the subject of numerous manipulations by the central administration as well as by monopolistic producers.
7. Division of income and wage ratios are regulated administratively by central authority and correspond to established growth priorities and the degree of implementation of planned goals. They work counter-motivationally since as a rule they do not correspond to differences in qualifications or quality of work.
8. Currency rate is based on the average cost of acquiring currency in exports. Its level is not a concern for industry, since the scale and structure of exports and imports are established by directive. The rate has only informational significance for the central administration.
9. Lenient criteria for credit or budget financing based on the capital expenditure plan. Interest rate does not regulate demand for credit. No possibility for lateral flow of resources between companies.
10. Companies are of the autocratic type, managed from the top with the help of direct directives. Formal socialization of the means of production, with no opportunity for employee control of or influence on the operation or growth of firms. Nearly the entire economic surplus is drawn off through taxation to the state budget. Paternalistic attitude by central authority toward subordinate

firms and employees working in them. No threat of bankruptcy for inefficient firms.

#### Reformed System

1. Ruling party fulfills a managerial function and maintains a partner relationship with allied parties. Multi-sectored economy. Full autonomy for the cooperative sector. Possibility for permanent existence of family farms in agriculture. Major participation by the private sector and partnerships combined with non-agricultural sectors of the national economy.

2. All economic organizations are fully subjectivized, not directly dependent on central administration.

3. Central planning has a socialized, non-directive character. The plan includes strategic developmental goals, a division of income corresponding to them, subordinated to the macro proportions of economic stability and a set of economic instruments expected to be used in directing the operation of independent firms.

4. Elimination of central distribution of material and financial resources.

5. Nomenclature of rank is maintained only in central organs of the economic administration and certain firms with exceptional socio-economic and defense significance. Management positions are filled competitively based on criteria of professional competence. Full accountability for decisions made on all levels of the national economy. A partnership system of relations between economic organizations, groups of people and the central administration.

6. Prices of the means of production and consumer goods are objectivized according to a supply-demand formula with a few exceptions in the case of certain consumer resources of basic social significance.

7. Division of income is regulated by self-management units in industry on the basis of plant wage systems and universal, progressive taxation of individual incomes, debiting a firm's profits, with central fixing of a minimum wage at the public minimum level. Indexing of wages in the budgetary sphere corresponding to wage increases for public groups in the production sphere. Differentiation of wages results not only from differences in qualifications and responsibilities but also from results achieved by companies.

8. Objectivized currency rate based on marginal values of necessary stabilization of the country's balance of payments. It becomes a fundamental link, connecting prices in foreign trade to domestic prices and forming the scale and structure exports and imports based on a criterion of a firm's actual profitability.

9. Criteria for supplying financial resources are subject to production efficiency requirements and sanctions on inefficient firms. Credit supply is based on a "tight and expensive money" policy. Budgetary supply limited mainly to the non-production sphere with a few exceptions in relation to certain products from the production sphere. Possibility for the flow of part of

economic surpluses among firms themselves, without the intervention of the central administration.

10. Polymorphism of firms: self-managing, managerial, socialized, private, mixed partnerships, etc. Real collectivization of the means of production is expressed in opportunities for public control and actual employee influence on a firm's developmental decisions. Independent determination of production plans and company development, taking into account interpretation of market signals, information contained in the central plan and a portfolio of government orders and domestic and foreign customers. A solid principle of self-financing with risk to the extent of wages and employment stabilization, along with a real threat of bankruptcy for firms incapable of efficient growth.

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## SIWICKI ON POPULARITY OF MILITARY CAREERS WITH YOUTH

Warsaw WALKA MŁODYCH in Polish No 41, 12 Oct 86 pp 3, 14-15

[Interview with Politburo member, minister of national defense, and General of the Army Florian Siwicki, by Ludwik Luzynski and Jędrzej Fijałkowski]

[Text] [Question] The army is an institution in which youth dominate. The young officers graduating from higher military schools each year, all of the draftees... Is the army based on youth?

[Answer] I am glad that you see the army in that way. Indeed, the army is based on youth. I spoke of this with deep gratification from the podium of the 10th PZPR Congress. Allow me, therefore, to say more about some matters to which attention had been called at the Congress.

Service to the socialist Fatherland is the highest soldierly duty. In combat vigilance on land, sea and air, in close-linked ranks, the soldier of the Polish People's Army guards the security and inviolability of the borders of his native land.

A particular feature of the Polish People's Army is the fact that in its ranks serve large groups of young people: the professional cadre, the officer cadets, and the soldiers in the regular army. Young people, therefore, constitute the social base of the army and play a large, and even decisive, role, in the operation of the subordinate units, constantly shaping the image of the army.

The young bear responsibility for millions of dollars of equipment. They are commanders of the most modern tanks, ships, and radar stations and are pilots and engineers of supersonic airplanes. And finally, and most important of all, they are the superiors and upbringers of their colleagues, not much younger than themselves.

It is sufficient to say that the age of regimental commanders--i.e., persons fulfilling functions corresponding to positions of managing directors of large workplaces--who determine the strength and efficiency of the army, ranges from 33 to 38. This is a trained cadre, well-prepared to lead and command, and also dedicated, ideologically strong, committed to solving training and upbringing problems and the shaping of good citizenship in military youth.



The function of a commander-upbringer is a great honor, but it is also a great responsibility. They fulfill these functions extremely conscientiously, with deep personal fervor and commitment. They are not alone in their work. They are assisted by their older, more experienced colleagues.

The Union of Socialist Polish Youth (ZSMP), to which 70 percent of the young people belong, plays an important role in the army. It is a partner in the integrated operations of the commanders, party aktiv and social organizations. Partnership means primarily joint responsibility for all military service, for bringing-up and training the soldier, for the good reputation of the armed forces. ZSMP membership makes it easier to adapt to life in the army; it stimulates military initiative and activeness. The youth organization manages these activities very well and assists in the implementation of the party slogan: "With the young and for the young."

[Question] It cannot be said of all the people who enter higher officer schools or pass through the gates of the barracks that they are experienced and know what can be expected of them. They are young, open and receptive. How enormous the upbringing role of the army, which takes over this function of teacher after the family and the school...

[Answer] Indeed, this is not an easy role, particularly in view of the diversity of beliefs and views brought by the youth from the family homes, their friends, and other environments which influence them. We observe that some of the young think that they know the "prescription" for life and know what can be expected of them. But this is most often their own conglomerate of inconsistent and even contradictory conceptions about life, often based on myths, tales of adventure, or even failure to comprehend the realities of everyday living.

The truth is that even with the best intentions of the family and school all kinds of examples of life enter into the minds of the young and shape their feelings, beliefs and attitudes. The ability to choose among them is vast and sometimes this abundance also results in a temporary wavering of beliefs, which some people try to exploit to achieve completely unpraiseworthy goals.

The army brings to the awareness of the young people a structured heirarchy of civic duties and values. First in this heirarchy is concern for the independence and freedom of the nation and the state, for life in peace. This value also spills over into the area of personal interests of the young. Independent and peaceful life means calm in the family home, safety of the nearest and dearest, ability to choose a field of education and career, and ensure tranquil living conditions. Thanks to this value we have already found a common language with the young, making it easier to accomplish our educational tasks and obtain gratification in accomplishing them. We should also say that the army, despite many popular opinions, strongly emphasizes the joint participation of youth in solving complex upbringing problems. In continuing this thought I would like to add that candidates for military schools, the future professional soldiers, have a real advantage over others because of their special motivation for military studies. This is a factor which makes it much easier to effect changes in views, beliefs and attitudes.

The question, what to do, is followed by how to do it so as to effectively safeguard the peaceful and independent welfare of the nation. Here we call upon a whole complex sphere of institutional measures and national agreements which would guarantee complete protection for this highest value.

Our main upbringing instrument is the force of arguments based on scientific knowledge, verifiable in daily public and private practice. In this way we obtain reliability on both sides. We, who offer a difficult but worthy, socially important, model of professional and public life which brings great satisfaction, and the young people, who prove their reliability by making progress in their studies and training skills while subjecting their earlier conceptions to critical evaluation. Up to now this method of action has been successful, although there have been occasional failures. But these failures make up a very small part of our upbringing work.

[Question] Does ZSMP also appear in the role of ally and educator, shaping the present image of the army?

[Answer] The youth organization in the army creates a broad field for social and political activeness among the young people. This is an important potential of youthful energy and creative activity. It has been endowed with enormous confidence, entrusting part of the process of upbringing and even education of the soldier. The ZSMP has been fulfilling these important duties very well. The organization is aiming at becoming even more effective in bringing up the person, shaping his ideology and professional qualifications, instilling high moral and intellectual values, and inspiring him to be creative and very active.

The ZSMP program exhibits ideological and upbringing work, it creates positive examples of military behavior, it unites military groups. It stresses leadership and competition in study, service, and public work. It stresses greater discipline, integrity and high sense of responsibility. The organization's actions relating to popularization of spiritual ethics, compliance with soldierly interests, and development of abilities and talents, have borne fruit. A kind word is also due it for its concern about the culture of the language, military conduct, and correct bearing. All of these actions ensure the ZSMP the position of important ally and educator, exerting a powerful influence on the uniformity of the army and its strength.

[Question] We continue to hear that 2 years in the army is 730 wasted days. Is this opinion justified? Who represents this view now? Is it all of those who were drafted into compulsory military service?

[Answer] The Polish People's Army is the guardian of the country's security and freedom. It is deeply committed to solving the country's and the nation's important problems. Military service is the special public, patriotic and moral duty to the Fatherland.

Conscription into the army means an important change in the life of a young man. Army duty means a loosening of ties with previous surroundings, much less contact with family and friends. Living conditions are vastly different, requirements are different, particularly as to discipline, efficiency,

observance of standards of public life. Intensive military training requires great physical and mental exertion. This is simply a very hard, manly life.

Therefore, the fears of the young person in the face of this new, difficult unknown are understandable. The view that military service is a waste of time arises from these fears. It can be spread only by those who do not know the army, who are afraid that they will not make it in service and will fail as men.

[Question] At what point in their military service do the young people test this view?

[Answer] When a young person passes through the barracks gates, puts on a uniform and begins his military life, he is quickly aware of the advantages, including personal, that the army offers. The army, in implementing its ideological and upbringing task, is an important element in shaping the socialist awareness of the young generation. Military service is also important to society as a whole, because it goes beyond the needs of the armed forces. It prepares young citizens to defend the Fatherland, but at the same time it shapes the traits and attitudes indispensable to public life. It makes it possible to obtain or improve skills useful in civilian life. Each year thousands of highly skilled specialists leave the army--operators of machines and equipment, drivers, signalmen, seamen, aircraft mechanics, and many, many others. Let me also mention courses offered in the army for mechanization and application of chemicals in agriculture.

[Question] How do you explain the concept of conscious discipline to civilians?

[Answer] Discipline, as defined in regulations, requires every soldier to observe, in an exemplary fashion, all of the laws and standards of public co-existence in effect in the country, augmented by additional requirements ensuing from the specific nature of military service.

But the rules of a soldier's behavior in public and military matters cannot be examined separately. The interdependence between public discipline and military is steadily growing. Deep patriotism, high civic consciousness, and loyalty to the military oath--those are the main motivations of a disciplined soldier.

Military discipline mirrors the particular social relations existing in the army, the particular arrangement of service dependence between soldiers, relating directly to the tasks of the armed forces and their hierarchical structure.

Conscious discipline is based on understanding the necessity of complying with existing orders and the rigors of military life in the name of higher goals (group, institutional, etc.). It is based on a positive attitude which inclines soldiers to comply with regulations and the orders of their superiors.

In our army we prefer conscious discipline, understood in terms of internalized standards of behavior and conduct, identification with the internal need to acknowledge and observe these standards in everyday life.

[Question] We now see less interest in the profession of soldier. According to public opinion polls, his professional prestige is declining. In the ranking of professions, the officer is not among those leading the list. What is the reason for this?

[Answer] The prestige of a profession lies in how it is regarded by the public, as expressed in opinions and evaluations. The appeal of a profession, however, is the active relationship to a given profession, expressed in striving to attain it.

Both prestige and appeal are the result of many different factors, subjective and objective, which are determined by working conditions, qualifications required, opportunities for advancement, financial benefits, as well as tradition, stereotypes, and images.

In the case of appeal of the military profession, the social circumstances of the particular people expressing themselves on this subject, the values they hold in esteem, and their general attitude on the army and its role in society, is not a matter of indifference.

In speaking about the military profession we are dealing not with a clearly defined homogenous profession, but with a socio-occupational group, highly differentiated from the standpoint of qualifications and status. The professional soldier is a platoon commander and a general, a group commander and the minister of national defense, to say nothing of the large number of military specialists. The professional soldier of our army is not only the traditional commander, he is primarily a highly knowledgeable and skilled specialist. Public awareness takes note of these changes, but after considerable delay. Rather we should speak about the prestige and appeal of particular groups of professional soldiers, and not about the prestige and appeal of the military profession in general.

The appeal and prestige of particular military specialties differ. Thus there are military academies, officers schools, and cadet schools, for which the number of candidates constantly, and by far, exceeds the number of spaces available. There are also those--not many, it is true--schools for which the number of candidates falls short of requirements. Therefore, no generalized opinion about the decline of the prestige and appeal of the military profession should be formulated.

But it must be admitted that the military profession in general appears to young people to be difficult, demanding above-average sacrifice and effort, with no special preferences in financial benefits or privileges. In comparing the indispensable effort and the army's requirements of the professional soldier with other earnings and benefits, this profession is not competitive in its appeal. But it continues to be attractive for young people who have highly developed patriotic and social attitudes combined with a deep interest in modern technology, organization, and management of groups of people.

Traditionally friendly and sympathetic, as confirmed in all studies, the attitude of society to the army and to soldiers has a positive effect not only on the prestige of the military professional, but also on its appeal.

[Question] But at the same time the popularity of the military uniform is now dropping. Friendliness to the army remains unchanged. Do the traditions of Polish arms mainly come into play here?

[Answer] Of course, these traditions play a primary role, for after all, we are a nation which so often had to resort to arms to defend its heritage and Polish character, and had to pay for freedom with its blood on the battlefield. That was how it was ages ago and in the not-so-distant past. Thus the uniform of soldier became the symbol of the most proud and desired values--freedom and security. Our entire national culture is proof of this. The uniform and military emblems have been referred to with considerable sentiment in very popular literary works, those created to hearten or to call to action, and in those which attest to a soldier's sacrifice and heroism in the last World War. These are lasting values which are always alive. But life does not stand still and always adds something new to this treasury.

Today's army is also well-liked by the people because it actively participates in the life of the country, in economic and scientific activity, in culture, and in the upbringing of the young generation.

I believe that in order to enhance the friendly relation to the uniform, daily ties between the army and society are particularly important, with the people's character of our armed forces tightening these bonds. Undoubtedly the assistance which soldiers give the civilian population is also very meaningful, both in moments of greatest need (flood, fire and other disasters), and on a daily basis on the production line, in bridge construction, and during harvesting.

I think that the general friendliness shown our soldiers is due mostly to that which prompts our countrymen to call military service the school of living. And the fact that this is a real school, conducted honestly, is best shown by the wisdom, maturity and professional activeness of the young people who complete military service. It is no secret that women, too, speak very favorably of this "school," thus justifying the attraction that a uniform holds for them. And after all, that kind of reference is also worth something!

[Question] You are minister of national defense, comrade. Is this position in any way a realization of your dreams, from childhood perhaps?

[Answer] It is difficult today to reach that far back into the memory for dreams which the Nazi attack on Poland so brutally shattered in a 14-year-old boy. Certainly, there were dreams of great and interesting deeds, of beautiful adventures.

Unfortunately the war made it necessary to set aside all of these dreams and face a hard reality. I began my military life in 1943. Neither then nor

during the years that followed did I dream about any specific positions or socio-occupational honors. For my imagination this was not realistic, although I could not call this lack of ambition.

[Question] Did you have any set ideas, dreams, which you wanted to realize during your entire military life?

[Answer] Set ideas or dreams do not usually remain constant and change with time and experience. I had other dreams as a platoon commander and still others as minister of national defense.

But several values were then and are now the object of my strivings. Especially to perform my duties with military dignity, to serve society in matters of the greatest importance, and to harmoniously combine the good name of the People's Army with the daily service and work of the soldiers under me. The position of minister of national defense is an honor and a responsible duty. I try to fulfill it as the principles of ethics of a Polish soldier require and as the wisdom of my nation dictates.

[Question] We began our conversation with a question pertaining to youth, so let us end it similarly. What do you value most in the young people in uniform? What traits should today's young officer exhibit? How close does today's image of the young officer match the ideal? How does he come out in confrontation with the difficult experience of recent years?

[Answer] Thousands of soldiers stand side by side in the ranks of the Polish People's Army. They come from various environments, occupations, regions, from various political and social organizations, and they serve the Fatherland jointly, as brothers. Military service is certainly a school as well as a duty. As an important part of the conscious life, it teaches respect for the state, is an introduction to order and discipline, shapes comradeship and cooperation among people, and allows for realization of one's own ambitions and aspirations. It also shapes socially valuable traits: patriotism and civic responsibility.

Each year new detachments of young officers leave the higher officers schools. They fulfill the duties of our profession with honor and high ethics. The right to command and issue orders, which they receive, is an honor and a responsibility. It also establishes high requirements for oneself and others, including the requirement of self-discipline and a sense of fairness. The model of today's officer is a person of high ideology, a good specialist in his field, who in his everyday behavior sets an example worthy of emulating. After all, today's officer educates primarily by this own example. The recent years have confirmed such valuable traits in the military youth. It is the young people in uniform who make up the decided majority of our armed forces, who undertook and bore with the greatest responsibility the heavy load of the fate of the Fatherland.

9295

CSO: 2600/177

## SZCZECIN PORT, BORDER SECURITY OPERATIONS FEATURED

Warsaw GRANICA in Polish No 40, 5 Oct 86 p 14

[Article by Henryk Piecuch: "Among Spies"]

[Excerpts] I glance at the map of Szczecin Voivodship. Half of its border is also the state border, bristling with ports and border crossings. And thousand of people pass each hour through each crossing or port, in both directions. And then, of course, there is Szczecin Port, which draws not only ships. Every port also draws crime. Wernikowski and his people are not interested in the good. He is interested in the other side, the evil side of life, of the port, the border and the crossings. Because he has to. To prevent it you have to know it. The colonel knows it, just as does the brigade commander. So even if they did not want to, they must work together.

"The work of the brigade would not be successful without the comprehensive assistance of Colonel Wernikowski's subordinates," says the brigade commander. "The last drills, in which we came out well, were the best proof of this."

"The soldiers also helped us," added the head of the Voivodship Office of Internal Affairs (WUSW). "We caught a considerable number of criminals in the act thanks to the border guard troops. They know the area and the people. And their dogs are very efficient. We organize many joint actions and the results are good. Anyway, you wrote about some cases in GRANICA."

I carefully approach the subject which interests me the most. Like a dog around kielbasa roasting, I hover around a board on which the numbers of arrested agents appear. Wernikowski, pointing to his assistant for political-education affairs, explains that Colonel Zubiak is the alpha and omega of this subject and immediately states that many arrests of dangerous agents were made jointly with the border guard troops.

Col M. Zubiak pulls out two volumes, each containing several dozen pages, and says that they contain almost everything that has happened in Szczecin Voivodship dealing with intelligence.

"We have to say that our border guard and militia cooperation covers not only the 'top' but also all organizational cells," he underscores. "This must be made clear, including the fact that this has been going on for over 40 years."

Because everything began a long time ago. In March 1945 Gen Stanislaw Poplawski issued a special order to the soldiers of the Polish Army on the "Creation of Temporary Polish Organs on the Lands Up To the Oder River." At the same time, the Soviet Military Command at Koszalin set up Citizens Militia units. Poles leaving labor camps, concentration camps, and returning from German prisoner-of-war camps, were accepted for service.

Another entry on spy activity: "On 31 October 1950 border guard troops arrested Jozef Gil as he illegally crossed the Polish-German border in the area of Gumieniec. Investigation showed that Gil left Germany illegally. In West Berlin he established contact with Capt Kowalski vel Berg, employee in French intelligence and after undergoing training and being outfitted with equipment he was sent to Poland to organize a spy network and gather information on disposition of units of the Soviet Army, Polish Army, the Security Administration and the Citizens Militia. At the time of his arrest he was carrying three films and other intelligence material. On 8 January 1951 he was arrested by border guard troops..."

There are many entries. They appear almost every year. They contain names known from the press, radio and were mentioned and the subject of entire chapters in books. There are also those which have long been forgotten, so it is well to be reminded of them... As many times as I talk to the former soldiers of our formation they always recall the arrests that they made. The mysterious statement: "During investigation it was revealed..." explains a great deal.

--What is behind this statement, Colonel?

--Work and more work. Arduous work. Lasting a day, two, sometimes a week or a month. And sometimes entire years. The enemy is cunning, well-equipped and not as stupid as some would think. In trying to catch him in the act we must outsmart him.

--You must be better?

The head of the Voivodship Office of Internal Affairs did not contradict this.

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## DEFENSE COMMITTEE MEETINGS HELD

## Krosno Meeting on Private Sector

Krosno NOWINY in Polish 9 Jul 86 pp 1,2

[Article by (a-er): "On Results of Operation 'Sector' in Carpathian Foreland"]

[Text] At a meeting yesterday, the Voivodship Defense Committee in Krosno reviewed a report on the course to date of operation "Sector" carried out in the units of the non-socialized economy.

The proceedings were chaired by the Defense Committee Chairman Governor Tadeusz Kruk; among others, Voivodship Prosecutor Kazimierz Haligowski and Director of the Fiscal Chamber Jan Nowak attended the meeting.

As of the end of 1985, 5,799 private production, trade and service establishments existed in Krosno voivodship, including about 4,000 craftsmen shops. Also, four Polonia enterprises and two branches of Polonia companies are in operation.

A significant proportion of people in the non-socialized sector have duly appreciated and treated their social responsibilities and personal interests. Nonetheless, at the same time, manifestations of dishonesty, cheating the state treasury and customers, and abusing the opportunity accorded for excessive and unjustified profiteering have begun to crop up and spread. This view is borne out by post-control conclusions.

This year, 979 units were inspected before the end of May. In view of the irregularities, 14 criminal and 107 tax evasion cases have been filed. Financial organs imposed fines totalling 3.383 million zlotys. Also, requests for punishment have been submitted to the boards for misdemeanors, grants of concessions have been cancelled and licenses to operate have been revoked.

As follows from the findings of the financial organs, about 20 percent of the inspections performed provide a basis for initiating criminal or tax evasion proceedings.

Inaccurate accounting for the turnover, concealment of actual profit, jacking up prices, operations in violation of licenses granted and failure to comply

with the requirements while using tax breaks are the irregularities most frequently discovered in the course of the inspection.

Upon extensively reviewing the report presented, the Voivodship Defense Committee stated that many irregularities still occur in the non-socialized sector and resolved to further increase the efficiency of combatting dishonesty, illegal profiteering, violations of legal and financial regulations in effect, as well as to provide a broader exposure in the mass media of the resolutions of individual control organs and the actions of the team coordinating operation "Sector" than thus far.

#### Nowy Sacz Reviews Sanitation Campaign

Krakow GAZETA KRAKOWSKA in Polish 23 Jul 86 p 4

[Article by (ss): "Proceedings of the Voivodship Defense Committee"]

[Text] In its proceedings chaired by the Governor of Nowy Sacz Antoni Raczka, the Voivodship Defense Committee in Nowy Sacz evaluated the progress and results of operation "Estate 86" carried out throughout the region. Members of the committee expressed their gratitude to 457 inspection groups for working to improve the order and sanitary status of the voivodship. However, it was acknowledged that some of the teams have been excessively liberal in their actions, which had frustrated obtaining the effects planned. Actions aimed at improving the repair of sidewalks and street and highway pavements were evaluated particularly low. The committee imposed the obligation on the voivodship and local headquarters of the operation "Estate 86" to strictly ensure order and sanitary conditions, especially in health care, education and public catering establishments, as well as in railway and bus terminals and stops. Illegal discharge of sewage into rivers, surface waters and rain drainage collectors and unregulated garbage dumps should be eliminated completely. The Nowy Sacz Voivodship Defense Committee also evaluated the progress of this year's armed forces draft. Voivodship and local draft boards have made high grades for their work. Their ideological, indoctrination and political activities among recruits and those of pre-induction age have met with appreciation.

#### Joint Session with Voivodship Collegium

Olsztyn GAZETA OLSZTYNSKA in Polish 26-27 Jul 86 p 2

[Article by Roman Kaminski, press spokesman for the governor of Olsztyn: "Joint Session of Voivodship Defense Committee and Voivodship Collegium"]

[Text] Evaluating the phenomena accompanying economic development in the voivodship was the subject of a joint session of the Olsztyn Voivodship Defense Committee and the Voivodship Collegium.

Olsztyn voivodship ranks 28th (a year ago-27th) in the country in sales of industrial products. In pork procurement, Olsztyn ranks 4th after Poznan, Bydgoszcz and Kalisz (a year ago - 3rd); in milk procurement - 3rd after Siedlce and Ciechanow (a year ago - 2nd).

The following are mentioned among the phenomena negatively affecting the rate of economic growth and the living standard of the populace:

- poor use of the nominal labor time (increase in sick leaves and overtime),
- disruptions in the raw and other materials supply system,
- deviations in the system of cooperation among enterprises,
- inefficient (practically inconsequential) linkage between the wage system and the quality of products and services,
- lengthening of the investment cycle, especially in the field of food production.

The recommendations made are aimed at eliminating the negative phenomena in management and the economy. In view of the beginning grain harvest, it was suggested that all investment projects in the drying and grain storage complex be promptly completed.

The Office of the Curator of Education and Upbringing has been obligated to evaluate the progress of repairs in all education facilities and to undertake measures aimed at completing such work before 1 September of this year.

In conjunction with the resolutions of the 10th PZPR Congress, members of the Voivodship Defense Committee expressed the opinion that, among other things, the purpose of the evaluation of positions and review of organizational structures in the national economy must be the search for efficient management mechanisms and improving the efficiency of the economy.

Kaczmarek at Krakow Meeting

Krakow ECHO KRAKOWA in Polish 28 Jul 86 p 2

[Unattributed article: "Proceedings of the Voivodship Defense Committee"]

[Text] On 25 July of this year, the Krakow Voivodship Defense Committee met under the chairmanship of the Krakow PZPR Committee Secretary Wl. Kaczmarek. The committee evaluated the status of water management and the energy economy in the voivodship with regard to vulnerability to possible dangers arising from breakdowns, industrial disasters and other accidents, as well as eventual consequences and impact on the operation of individual economic sectors in the voivodship, with emphasis on enterprises producing basic food staples. Leaders of voivodship organizational units responsible for water, energy and foodstuffs management also attended the meeting. The committee also passed pertinent resolutions aimed at streamlining the operation of above-mentioned economic sectors.

Szczecin Meeting Checks Winter Fuel Supplies

Katowice TRYBUNA ROBOTNICZA in Polish 25 Aug 86 p 4

[Unattributed article: "Voivodship Defense Committee in Szczecin on Fuel Supplies"]

[Text] The Szczecin Voivodship Defense Committee evaluated the status of fuel supply for the fall and winter season in the voivodship. A report on the status of fuel stocks in public-use power stations and municipal heating plants was taken under advisement.

On the other hand, the report by the director of District Enterprise for Trade in Fuel and Building Materials concerning consumer allocation of coal was rejected. The Voivodship Defense Committee suggested that enterprise management markedly improve the organization of sales in fuel warehouses and their supply, especially that of fuel substitutes, such as brown coal and fuelwood. This enterprise, aware of the supply difficulties with hard coal and coke, did not display enough initiative in supplying all fuel warehouses with substitute energy carriers, especially fuelwood of which there is no shortage in the region, and brown coal.

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## JUSTICE MINISTRY CALLS COMMISSION ON CIVIL LAW REFORM

Warsaw RZECZPOSPOLITA in Polish 20-21 Sep 86 p 2

[Text] The president of the Council of Ministers has signed an order appointing a Commission on Civil Law Reform under the ministry of justice. Making up the commission are leading representatives of the study of civil law and legal practice, including, as indicated by the first president of the Supreme Court, the PRL Prosecutor General, the president of the State Office for Economic Arbitration and the Main Board of the Association of Polish Lawyers. The commission will deal with compiling drafts of legislation amending the civil code and code of civil proceedings as well as preparing, if necessary, drafts of new laws or bills changing other legal instruments.

During the period of the commission's work, leading and central bodies of the national administration that are preparing drafts of statutory regulations from the field of civil law are required to seek its opinion on those drafts.

The appointment of the commission, vice-minister of justice Dr Jan Brol told a RZECZPOSPOLITA reporter, is the result of the implementation of a report on the state of the law prepared by the Legislative Council under the president of the Council of Ministers. The minister of justice proposed the establishment of such a body.

The need for civil law reform has been noted for some time. It results mainly from the fundamental changes that has occurred in social and economic life, especially due to the introduction of economic reform. Civil law became inconsistent.

The issues regulated by civil law have already been changed by individual statutes in many significant cases. They were improvised changes, necessary because of the scope and dept of modifications in the operation of the national economy, especially after introduction of regulations on self-financing by state industries. But time was needed to evaluate the operation of the new solutions in practice. Now, in the second stage of economic reform, it is time to begin discussion on proposals for more permanent and thorough solutions against the background of experience and for departure from partial, so-called department legislation in this important field of law.

Civil law reform will not be limited to regulation of the so-called major cycle concerning relationships among elements of the socialized economy. It will also encompass other issues resulting from current and future soio-economic needs. Practice has raised much concern in this matter, especially by departments using the law on a daily basis. For example, the entire area of consumer protection law (especially product quality), services (ensuring the basic rights of service providers) and application of the rules of nominalism require resolution.

Another important task of the commission will be adaptation of laws on civil legal proceedings to current requirements. The point here is particularly a critical look at present code solutions and an answer as to how far it is possible to improve legal proceedings without infringing on the guarantee of basic civil rights. This concerns the area of adjudication as well as the carrying out of judgments, e.g., execution.

These three basic directions of the commission's work show that it has before it unusually difficult and time-consuming tasks. That is why the order of the president of the Council of Ministers assumes that this work will take about 5 years. Thus amended civil law would be implemented at the beginning of the next 5 year plan.

I feel that RZECZPOSPOLITA will follow the commission's work and inform readers about the course of that work.

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## ROUND TABLE ON 'MORE DEMOCRACY' VIA NATIONAL, OTHER COUNCILS

Warsaw ODRODZENIE in Polish No 35, 30 Aug 86 pp 1, 3-9

[Panel discussion, edited by Jerzy Grzybaczak: "How Many Democracies?" (Footnote) (All comments by Jacek Zdrojewski are not authorized, with the author's consent.)]

[Text] This latest in a series of roundtable discussions deals with the initiatives put forward at the the 10th PZPR Congress with the object of strengthening and developing socialist democracy in Poland. The participants were: Dr Andrzej Filipowicz of the Institute of Government and Law, Polish Academy of Sciences (PAN); Colonel Docent Dr Stanislaw Kwiatkowski, Director of the Public Opinion Survey Center; Dr Maciej Letowski, deputy editor-in-chief of the monthly CHRZESCIJANIN W SWIECIE and member of the PRON [Patriotic Movement for National Rebirth] National Council; Zdzislaw Pilecki, vice chairman of the PRON National Council; Docent Dr Barbara Zawadzka of the Institute of Government and Law, PAN; and Jacek Zdrojewski, secretary of the Warsaw PRON Council. The Editorial Board of ODRODZENIE was represented by the editor-in-chief and the panel's moderator Jerzy Grzybaczak.

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[Jerzy Grzybaczak] The 10th PZPR Congress that ended several weeks ago has reaffirmed the will to continue the line of socialist renewal. With a view toward broadening democracy and strengthening popular rule, it has formulated many new ideas and concepts of an institutional-juridical nature. I refer here to the initiative for setting up a public advisory council under the Council of State as well as citizens' conventions under the voivodship people's councils, and I also refer to the concept of such institutional innovations as the office of the spokesman for the rights of citizens, socioeconomic councils under voivodship people's councils, and the predictions of further democratization of electoral laws. I am gratified to stress that many of these concepts such as the idea of the spokesman for the rights of citizens have been the subject of lively discussion at the PRON and were reflected in the declaration of January 1986 of the National Council, "Let Us Create a System of Social Agreements," which had represented a significant contribution of our movement to the pre-Congress discussion. The 10th Party Congress, which dealt with strategic and principal problems of the country's development, did not elaborate in detail the scope and forms of activity and the ways of

introducing these new institutions. It is not surprising that the society is wondering about the nature and significance of the predicted changes. Doubts also have arisen as to whether the new institutions might not detract from the role and importance of the heretofore existing institutions. This applies in particular to people's councils, which are based on the premise of protecting social interests, whereas now we want to entrust the protection of the rights of citizens to special spokesmen. The prediction that an advisory council representing broad circles of the public, political forces, and social groupings, will be appointed under the Council of State has also prompted PRON activists to ask whether the platform of our Movement is not sufficient for the encounters and dialogue of persons representing diverse orientations and political views. Will not the advisory council detract from the importance of the PRON? I wish that we would resolve these doubts during our discussion.

[Barbara Zawadzka] Indeed, the questions and doubts referred to by Editor J. Grzybczak do arise. I share some of these. For example, what will be the importance and role of the advisory council under the Council of State? Consider that several commissions that include representatives of various constituencies already exist under the Council of State. What will be the relationship between the new advisory council and these public commissions which already exist? The Council of State operates with competences defined in the Constitution, and it is responsible for its activities to the Sejm. Hence, the place of the new advisory body in this system should be clearly defined.

Next, there is the problem of public councils, or of socioeconomic councils, under people's councils. Here I have various doubts. First, doubts of a general nature -- as to the expediency of appointing public advisory bodies to elective bodies. Seen from this point of view, the validity of appointing a Socioeconomic Council under the Sejm also may be doubted. After all, it is a public body just like the Sejm, and the maintenance of contacts between the Sejm and the voters is a fundamental obligation of the Deputies. In my opinion, the kind of advisory councils that public bodies need is councils composed of experts. And vice versa, public advisory councils should be attached to bodies of experts.

As regards people's councils, I wish to emphasize strongly that appointing a socioeconomic council should be up to the people's council itself. This is precisely how the issue was regarded at a recent conference of chairmen of voivodship people's councils at the Council of State. This should not be interpreted as a general solution applicable to all people's councils, for this would then imply a curtailment of their autonomy as regards organizing their own activities. This also should, I believe, apply to the proposed citizens' conventions. In no case can they replace the legislated contacts between councilmen and voters.

[Maciej Letowski] We still aren't familiar with the intentions of the authors of these proposals. Hence also we can merely offer our own interpretations of the role of these bodies in public life. In my opinion, the proposed advisory council under the Council of State may play a significant political role. Its appointment could be a response to the postulate included in the document of January 1986 of the PRON National Council. I refer to the postulate for broadening initiatives aimed at promoting the self-organization of citizens,



which should serve, inter alia, to strengthen the primacy of public constituencies. The communique of the Plenary Conference of the Episcopate is in accord with that postulate....

I think that the 10th PZPR Congress is meeting these expectations of Poland and the PRON -- the expectations that the primacy of the society will be augmented. When we read in the report of the PZPR Central Committee that the 10th PZPR Congress is inaugurating a qualitatively new stage of national consensus, it can be assumed that the new institutions will become a plane for accomplishing this goal, and that they will reflect a qualitatively new stage of political life in our country. I would perceive the principal role of the new advisory bodies to consist therein. This would be the first, extremely cautious but important, step in the direction of broadening the base of national consensus.

The advisory council under the Council of State and the local citizens' conventions could become a forum for the encounter of the social groups which have until now for various reasons remained outside the pale of the official institutions of public life, and which are not represented at present in the Sejm, in the people's councils, and in the PRON. And therein I perceive a great opportunity, and properly speaking the sole purpose for which such institutions are to be established. If, on the other hand, these new institutions are merely to duplicate the already existing political representation in the organs of state power, their political importance would not be great.

[Andrzej Filipowicz] In no case would I fear that the appointment of an spokesman for the rights of citizens might weaken a people's council in any way. On the contrary, I believe that this would be a major step -- of course, if certain conditions are met -- toward strengthening the position of the people's council within its territory. As for the proposal itself to appoint a public spokesman for the rights of citizens, that is a kind of compromise and it may be the first stage in implementing a much broader concept, and one that has already been to some extent elaborated in the work of the PRON, namely, the concept of creating the institution of the Sejm guardian of the rights of citizens. If that is so, I believe this to be a highly valuable initiative.

[Stanislaw Kwiatkowski] I can support this with the findings of a national poll taken by the Public Opinion Survey Center in April 1986. The question asked was, "Do you think that in Poland the Sejm should appoint an independent body that would, in the event of the violation of the rights of citizens by any of the authorities, investigate the violations and be oriented toward protecting the citizens? (Guardian of Civil Rights)." The respondents chose among four possible answers: The first, "I consider such a body to be indispensable and needed," was chosen by 39.5 percent of the adult respondents; the second, "I consider such a body to be useful but not indispensable," by 26.9 percent; the third, "I see no need for creating new institutions," by 23.7 percent; and the fourth, "Undecided," by 9.8 percent.

Considering that this is a new idea for our country, the results of the poll are encouraging.

[A. Filipowicz] It seems to me that the relationship between the spokesman and the people's council should exist on several planes, at least. Above all, the spokesman should be appointed and recalled by the people's council. He should report to the people's council and be enabled to influence other control bodies that already exist, such as the procurature and the worker-peasant inspection teams. He should be enabled to mobilize these bodies in accordance with the wishes of councilmen and ordinary citizens. It is also worth considering whether the spokesman should be elected not just from among council members. The point is that the persons appointed to this post should enjoy considerable public authority and be locally known figures.

[B. Zawadzka] But how do you view the relationship between the competences of that local spokesman and the administrative court system?

[A. Filipowicz] I think that the spokesman should be given at least the same powers as a public prosecutor who can institute and participate in administrative proceedings.

[B. Zawadzka] I completely support introducing the institution of the spokesman, but it should be effective instead of duplicating the competences of already existing bodies or agencies. Let us consider what kind of grievances may citizens have. First, grievances about administrative decisions which they consider unjust. The simplest solution in such cases is to appeal to the administrative court and, as we know, this solution works well. Second, there are the decisions relating to allocations, which are the subject of an overwhelming majority of complaints being received by various institutions. This concerns such issues as the allocation of housing or telephones, the admission of children to preschools, the admission of the elderly to old age homes, etc. Obviously, the institution known by the name of the spokesman for the rights of citizens has many supporters. Who would not want to have a guardian of his rights? Of course, an infallible guardian. But I suspect that many people link with that institution hopes that are too great and unrealistic. For example, a citizen who has been waiting 15 years for an apartment of his own is convinced that, once a spokesman starts his activities, he will be provided with an apartment, because everyone has the right to an apartment. The spokesman will not cope with such matters, just as all the traditional institutions are not coping with them, because this concerns a shortage of housing, as well as shortages of other goods in common demand. What I mean is that we should not establish institutions that have unrealistic purposes or which duplicate each other, this being something we are prone to. This is a question of a proper and specific determination of the status of the spokesman.

[A. Filipowicz] I don't think that duplication of this kind is harmful. It seems to me that the manner in which public prosecutors oversee adherence to laws is not yet completely effective, since they overlook a substantial part of administrative procedures. Moreover, it seems to me that the formula for the guardian of the rights of citizens should be somewhat broader; instead of being limited to control over the state administration, it should be extended to control of the apparatus of state, and not only to that. Why should not, e.g., housing cooperatives be subject to control by the guardian of the rights of citizens, and hence also to indirect control by the people's council? Such

cooperatives also should obey the law and act in accordance with the principles of legality. I don't think that allocation decisions or in general decisions relating to material shortages will be the principal matters on which citizens will ask the guardian of their rights for help. It seems to me that the preparations to establish this institution and popularize it should be thorough. Once the concept of the spokesman is elaborated, the public should be explained about what things that institution can do and what it cannot.

In Walbrzych we had a famous case, a dispute about the allocation of housing, which had been performed so as to give priority to outsiders who are professionals rather than to the local citizens on the waiting list. This is a debatable issue, because the impropriety of such allocations from the social point of view is uncertain. Now there is no institution that could competently decide whether such an allocation is just or unjust. Perhaps there should be such a person who, in the event of a dispute about the principles for allocating apartments, would tell the public that if apartments are not given now to physicians, then a few years hence there will be nobody to give medical care to their children. Such a person should be enabled to detect flaws in legal provisions and point to inconsistencies that arise in the legislative process. He should also have the right to offer legislative proposals to the people's council. At any rate, the institution of the spokesman should be a living one that remains in daily contact with the citizens.

[J. Grzybczak] How do you view it? Could you describe to us more graphically how the institution of the spokesman operates? Is it to be a single individual who enjoys great authority or a public body? Is it to be an office, and if yes, what are its powers to be?

[A. Filipowicz] The spokesman should not participate in the process of administering and replace administrative agencies. The spokesman should have the right to offer initiatives, to mobilize control mechanisms that already exist, and to verify their operation -- verify whether their operation enables the citizen to exercise his rights. The spokesman should enjoy great authority, and therefore I believe that it should be a single individual rather than a public body or a committee. It should be a single individual who would not fear a confrontation with local authorities on extremely diverse issues. It should be borne in mind that the spokesman's activities will pertain to various kinds of conflict.

[S. Kwiatkowski] I don't think that the spokesman should operate on the principle of finding a strong individual capable of resolving various issues. Such an individual cannot accomplish anything unless he has the support of the institutions whose duty it is to adhere to the rights of citizens.

[A. Filipowicz] I was misunderstood. In most countries an institution of this kind operates on the principle that the citizen's principal purpose in coming there is to have a good cry. The spokesman intervenes in various situations but not always, and this should be borne in mind. On the other hand, it is always possible to go to the spokesman, confide one's problem to him, and explore a way out.

The spokesman should have the moral power of prompting various institutions to carry out their obligations. That is why I believe that a single individual capable of acting thus should be appointed to perform these duties. Of course, I don't know whether we'll find these 49 just men.

[J. Grzybczak] Men who are not only just but also courageous.

[Zdzislaw Pilecki] Courage and justice are valued equally in Poland nowadays, as it were. But it is easier to show courage than to be just. This is understandable, because both qualities requires a particular moral disposition. Spokesmen should have such a disposition. In this interesting discussion I am speaking in my capacity as Chairman of the Intervention Commission under the PRON National Council. Now logically problems of representing social interests are particularly important to the PRON. I wish to declare my strong support of the need to establish the institution of the spokesman for the rights of citizens. This ensues from, on the one hand, the obligations contracted by our Movement toward the society, as well as from the experience we have gained in making interventions, that is, in a highly tangible domain where people contend with daily practices that often are distorted and lag behind the generally just principles developed by theory and legal solutions. During this discussion it was stated that the spokesman should be endowed with a definite scope of competences. I would support endowing the spokesman of the rights of citizens with the broadest possible scope of possibilities, creating a situation in which the spokesman would be not "a prosthesis of the authorities," or another obstacle to be overcome, but a person endowed with specific legal powers enabling him to intervene effectively in all issues of concern to the local community. And there are many such issues, as we know. Often a person unaware of how to avail himself of his rights knocks for years at the doors of various dignitaries and secretarial offices and loses faith. In the last 3 years the Intervention Commission under the PRON has received about 10,000 complaints, not all of which were personal. Similar commissions operate under voivodship and municipal PRON councils. We have gained practical experience in the machinery of interventions. Unfortunately, this machinery does not perform well. Some people claim that it should be improved. This is possible. But I personally believe that sometimes taking risks is worthwhile by creating new and more effective machinery upon assuring its functional suitability by endowing it with a proper social importance, which can also be accomplished through resolute action. The relationship between the citizen and the administration is still poor. Of the abovementioned 10,000 complaints, we resolved 30 percent in favor of individuals, social groups, and organizations. That 30 percent means that every third case is poorly resolved by the administration, often through illwill of the officialdom, disregard of the needs of people, or ignorance of regulations. This cannot be justified by objective difficulties. This creates a bad climate, causes local conflicts, and makes people resentful of the authorities. I view the proposed institution of the spokesman for the rights of citizens as a new machinery assisting in the proper shaping of the relationship between the citizen and the administration, which is so important to a general appraisal of the functioning of governmental institutions.

[Jacek Zdrojewski] I fear that the institution of the spokesman may turn out to be a kind of a paperpushing ministry of complaints. Knowing how bureaucracy develops in our country, I fear that this may be the outcome. I'm not certain whether, e.g., the PRON itself should have an spokesman who would assure it of broader public support. As for considering on their merit the activities of the spokesman for the rights of citizens, I believe that he should deal not with consideration of specific grievances but with the machinery generating them.

Let me also comment on the idea of creating local socioeconomic councils patterned on the Council attached to the PRL Sejm. When that Council was originally conceived, it was apparently with the object of laying the foundations of a future Self-Government Chamber. Self-government in the broad meaning of the term lacks, as known, a common plane of action. Were the idea of the socioeconomic councils to develop in this direction, it would merit consideration and attention. But if these councils are to represent yet another kind of groups of individuals established on the initiative of various public bodies, this raises the question of whether existing institutions are not already fulfilling such functions.

[M. Letowski] Regarding the comments by Col Kwiatkowski, I wonder what is the reason for the social need to establish the institution of the spokesman for rights of citizens. I think that that reason is rather banal. Our society is still feeling a kind of hurt owing to the arrogance of the bureaucracy and the lack of a balance between the society and the state administration. The existing expectation is that the individual entangled in various dependencies on the state administration will be supported by some force that would be sufficiently effective to counter the bureaucracy.

A basic prerequisite for the proper functioning of the spokesman should be the great authority of the individual to be appointed to that post. Hence also I believe that, in order to avoid compromising that post, we should begin by appointing a single national spokesman and subsequently, only after more experience is gained, having spokesmen at the voivodship level as well. I don't agree with my colleague Zdrojewski when he says that the spokesman for the rights of citizens should be appointed by the PRON. Surveys of the prestige of public institutions conducted by the CBOS [Public Opinion Survey Center] and other centers indicate that the Sejm enjoys more public confidence than any other political-legal institution. And hence I believe that, in order to endow that post with sufficient prestige, the spokesman should be appointed by the supreme legislative body.

The spokesman for the rights of citizens should be appointed for a long but nonrenewable term. This would markedly curtail the possibilities for his exposure to pressures and external factors. The strength of the ombudsman in the countries in which that institution exists resides in that he investigates not so much the legality as the justice of administrative decisions. This is important considering that a public prosecutor's or a court's investigation of such decisions is limited solely to determining their legality. The strength of the ombudsman also resides in that no office can withhold information from him on the grounds of state security.

The spokesman for the rights of citizens should also be enabled to appeal to public opinion through the mediation of the Press and other mass media in order to expose mechanisms and methods of improper action by the administration. In this way he could exert pressure on the activities of the bureaucracy. Endowing the spokesman with these rights would, in my opinion, require revising the decree on press control [censorship] so as to provide the spokesman with special rights as regards the possibilities for publicizing his comments.

[A. Filipowicz] Let me comment on some of Mr. Zdrojewski's statements. Mr. Zdrojewski, you are right in stating that what matters most is not the resolution of grievances itself, although of course this has to be done insofar as possible, but the creation of a machinery that would avert these grievances. I wish to state that the existing machinery of this kind is inadequate. I am referring to all forms of social control over state, economic, and cooperative administration, as well as over all other kinds of administration. And the operation of this existing machinery is unsatisfactory; and it is true, as Mr. Letowski has declared, that the society feels rather greatly injured by the omnipotent bureaucracy, which in many cases is unfortunately justified.

[B. Zawadzka] I think it a dangerous tendency when in a situation in which the existing machinery operates unsatisfactorily we are creating a new institution instead of considering the reasons for this situation and exploring ways of rectifying it. In my opinion, this solution will not produce positive results. I'm not referring to the institution of the spokesman itself. Mr. Zdrojewski mentioned the eventual role of the socioeconomic councils under people's councils as a way of enabling local self-government to operate as a factor integrating all forms of self-government activity. But it is the legal obligation of the people's councils themselves to exercise this integrative role, and they are the fundamental public self-government bodies. Moreover, attached to them are auxiliary bodies especially formed for this purpose -- the commissions for self-government affairs. I can't say just what is the extent to which these commissions perform their duties, but many of them are taking various steps to this end. If the people's councils and their self-government commissions do not perform this integrative function, then the need rather is to analyze the reasons why the existing institutions operate unsatisfactorily and whether the creation of a new institution would not simply mean duplication of effort.

Stereotyped and inflexible action should be avoided. The report at the the 10th PZPR Congress merely stated that the expediency of forming socioeconomic councils under people's councils should be considered. This does not mean that they should be immediately formed everywhere.

[J. Grzybczak] Let me recall how was this topic treated in the resolution of the 10th PZPR Congress: "In cooperation with the PRON and following broad social consultation, it is necessary to consider the possibility of a new and stronger consolidation of local self-governments; proposals for appointing public spokesmen for citizens' rights as well as socioeconomic councils also should be undertaken."

[B. Zawadzka] The phrase "should be undertaken" can be variously interpreted -- as a problem for discussion and as a directive to be executed. It may be feared that the executive levels will adopt only the latter interpretation. And as for the advisory council under the Council of State, it should be borne in mind that the formation of an advisory body under a supreme body of state power has to be sanctioned by legislative provisions. The purposes of such an advisory body have to be prescribed by detailed legal regulations so that it would not duplicate existing structures and infringe upon the positions of institutional bodies. If, as has been mentioned, the intent of this initiative is to include in social consultation the constituencies which have not so far expressed the wish to participate in the PRON, then this initiative is only to be applauded. But it would not be good if this new body were to be more important than the structures of the PRON.

[S. Kwiatkowski] I admit that I find it hard to comment on specific solutions, because I am not a lawyer. But I'll try, thinking aloud, to express the intentions behind the new initiatives promoting the development of socialist democracy. These intentions were stated by First PZPR Secretary Comrade Wojciech Jaruzelski from the tribune of the 10th PZPR Congress. They represent explorations of new solutions corresponding to the country's new stage of development. Democracy is not, after all, something predetermined once and for all. This is a question of arriving at increasingly better forms. We have the democracy that we can afford. Here nothing can be decided once and for all. A new stage requires new solutions. I view it in three planes.

The first plane, in which most has been accomplished, is that of all the opinionmaking and advisory bodies with which the authorities at various levels have surrounded themselves by creating various bodies, task forces, commissions, councils, etc. They are of a consultative and advisory nature. The aim in forming these bodies was not to obtain intellectual support for the authorities but to broaden their social base. Consider the expansion of the institution of opinion-gathering by specialized polltaking centers. This concerns the opinions and views of the broadly conceived society, of various social groups composing it, on particular issues and on the exercise of power by the authorities.

The second plane concerns the control institutions, which form an entire system of checks and balances to prevent abuse of power. Hence the large number of control institutions, not excluding the recently formed worker-peasant inspection teams. It is being said that the number of these institutions is too large and that new ones are continually formed instead of refining the existing ones. If some institution, whether a social one or one established through administrative procedure, does not perform its tasks and does not prove itself, this has to be considered, and its existence should not be artificially maintained; instead new institutions have to be formed and better solutions explored.

The problem is whether new institutions should be formed or attempts should be made to explore the reasons why the existing institutions perform unsatisfactorily? We may explore, we may change this or that, but all the time attention should be paid to public opinion and public support. If there is no public support, another and better way of reaching the public should be

explored and something that wins the favor of people and mobilizes them should be done. If the existing solutions are not accepted, this means that they are ineffective and useless.

I'm rapidly driving at the third plane, that of institutions serving to oversee legality. This means not only advice, recommendations, control, oversight, and supervision but also keeping track of the legality of the ways in which power is exercised. I think that now this concerns everyone, that this is the next step forward.

The society demands new institutions serving as watchdogs of legality. Let me refer to the aforementioned public opinion surveys. One poll asked respondents to assess the existing system of state power. They were asked to choose among five possible answers: "The existing system of state power in Poland is good and needs no change" -- this was chosen by 11.7 percent of the respondents; "The existing system of state power in Poland is in principle good but needs some changes" -- 38.9 percent; "The existing system of state power is supposed to be good in theory but in reality it displays many irregularities and needs extensive changes" -- such changes are expected by 40.2 percent of the respondents. Those convinced that "The existing system of state power in Poland is bad and should be totally changed" number 5.3 percent. Five percent were undecided.

Measures to improve the system of exercise of power are thus in line with social expectations. I'm aware of the apprehensions related to the formation of new institutions. People wonder if this means simply adding to the number of advisory and debating bodies. Judging from the report in the Daily TV News Broadcast last June, a large number of conferences, discussion meetings, and symposia is being held each day in Poland. This is logorrhea, to which the society is increasingly objecting. Through the window of television people perceive the existence of a continuing garrulity; they perceive that we are drowning in a flood of verbiage. But as for the reality, that is changing much more slowly. It can't be expected to change rapidly just because yet another institution will be formed. Perfecting the system of democracy is a continuing process. If the existing institutions do not pass their test, new ones that win social support and a broader social base have to be introduced. This does not necessarily mean duplication of effort. Democratic bodies of this kind are not too many. If specific action and measurable results are predicted, I think the idea is worth testing. So then why not take the risk?

A few words about the socioeconomic advisory council under the Council of Ministers. I don't think that this means simply yet another consultative and advisory body. Apparently this is to be an institution that does not so much provide advice as serve to express and publicize other rationales and social interests. Not only official propaganda but also the mentality of the society is pervaded by the conviction that we all, except the underground, are in accord, that our political views are the same, and that we all have the same interests. But in reality this is not so. There is no reason for concealing the existing contradictions. On the contrary, it is worthwhile to make them public and resolve them publicly in the interest of a majority of the society.

[J. Grzybaczak] Here it may be worth quoting the view of Professor J. Reykowski



who has been opposed, from the very beginning of the existence of the PRON, to including in the Movement's leadership representatives of the signatories ex officio as it were just because of the posts they hold in the party, in the allied parties, and in Catholic and Christian associations.

Prof J. Reykowski proposed that meetings of the PRON's signatories should be held at a Council for the National Consensus, an authoritative body whose members would be representatives of the highest authorities and persons of acknowledged authority. It may be that the concept of the advisory council is similar to that goal. When the PRON had first been formed, the situation was totally different from that existing now. During the Movement's First Congress everything was still provisional and amorphous. A majority of the Movement's organizers had first joined it by being assigned thereto as representatives. And thus it is not surprising that party secretaries and prominent activists of other signatories to the Movement were among members of the Movement's leadership. But now the situation is different, and perhaps, at the same time as the advisory council is formed, a new view of the composition of the PRON's leadership is needed -- a view that will of a certainty be adopted by the Movement's Second Congress.

[J. Zdrojewski] It has been said here that we exist in a new stage. In this connection, let me cite a short passage from the report by First Secretary. Referring to the policy of national consensus, he declared, "In years past a political consensus mattered most. Now socioeconomic cooperation and a consensus on industriousness, efficiency, a housecleaning in the mansion of the Fatherland, are particularly important." I wish to point out that it is specific effects that are beginning to matter most in the life of the society and in public opinion. And as for the issues on which national consensus has to be reached, they are quite numerous. Consider for example the problem of the allocation of housing, which is engendering so many conflicts. The society should also be consulted when determining, e.g., the principles of the wage system, which are being generally criticized as inefficient and bad.

But to come back to the advisory council.... If we conclude that the PRON is not fully representative and does not articulate the interests of all, would not it be better to self-critically reformulate certain organizational principles of our Movement instead of forming a new body? I believe that this is an open question and one worth considering.

[B. Zawadzka] I'd support precisely this idea myself. I wish to state clearly that I'm not disputing the intentions of the proposal for forming that advisory council. The intentions are just. But I think that the form, the language, in which these intentions are to be translated into reality is debatable.

[S. Kwiatkowski] It is precisely their form that is being debated.

[B. Zawadzka] Let me revert to the question of analyzing the reasons for the unsatisfactory performance of institutions and trying to remedy them rather than forming new institutions. This is a general problem. For the formation of a new institution is a kind of analgesic rather than a cure. It produces a tranquilizing effect, the conviction that an urgent issue has been resolved,

whereas in reality the issue remains unresolved, because its roots lie deeper. Consider for example the status of social control in Poland. It is chronically not much effective, chiefly because of the low prestige of the self-government and representative bodies backing the organs of social control, because of the low extent to which these institutions exercise their legal role. Even if it produces some temporary effects, the formation of additional control institutions will change nothing about this fundamental institutional issue. Thus, it will not resolve the issue in general.

[J. Grzybczak] It is deplorable that the existing self-government bodies, e.g., in cooperatives, are blind to abuses, and audits by worker-peasant inspection teams are needed before any decisions, including personal decisions, can be made.

[J. Zdrojewski] Winning a case against a housing cooperative is much more difficult than winning a case against a voivodship governor. The formation of new external control bodies is necessitated by the low effectiveness of internal controls.

[M. Letowski] Docent Zawadzka believes that the tasks of the advisory council under the Council of State should be exercised by the PRON. For she proceeds from the premise that the existing institutions should be utilized. In my opinion, the PRON has not met the expectations which were placed in it. Apart from a few exceptions, the PRON associates only the forces that may be termed ruling forces. There still does not exist any platform for a political dialogue between the forces which do not exercise power and the forces exercising power.

What do I mean by forces which do not exercise power? Chiefly, the church in general. Of course, the hierarchic church has its own channels for communication with the ruling camp, principally the Joint Commission, as well as the regular meetings between the Primate of Poland and Gen W. Jaruzelski. Even so, outside the hierarchic church there exist many large and important Catholic constituencies which play a significant role in the life of the church as well as in public life although they are not among the groupings represented in the PRON. Moreover, there exist many communities of diverse ideological nature -- social-democratic, liberal, nationalist, neoconservative. Most often, they are informal groupings which however do meet, consult, and engage in one kind of activity or another. This is a social fact that has to be considered. I am also referring to that post-Solidarity segment of the society which has neither gone underground nor become part of the political opposition. There exists a substantial segment of public opinion which, while it has not joined the political opposition, the underground, at the same time did not become part of the social base of the PRON, of the publicly active institutions.

I think that a platform for contact with these constituencies has to be created and a dialogue -- not one of a public or propaganda nature, but a more calm and private dialogue -- has to be started with them. This should not require some temporary and rapid effects. Perhaps the advisory council under the Council of State could become the platform for such a dialogue between the power-exercising forces and the forces which do not participate in power but

to whom the good of Poland is close to their hearts and which stand on the soil of the Constitutional principles of this system of society.

[Z. Pilecki] Let me comment on Col Kwiatkowski's statements. I agree that democracy has indeed always been the state of society desired by our society, both in the past and at present. Of course, it has to experience certain changes, if only in view of the times in which we live and the political process occurring in the living national and state organism. This process determines as it were the status and forms of democracy. I believe that these are inseparable components, correlated in an unequivocal manner in Poland at present. From this fact ensue the actions of the authorities, which claim that "Democracy is not merely a gesture of the authorities," but from this fact also ensues an urgent need to promote proper social responses that would stimulate a more rapid attainment of such a model of democracy, for which in Poland there is both room and demand. That is, a model of democracy that allows for all the Polish conditions and needs. I personally am inclined to understand and support the proposal for the advisory council under the Council of State, offered by First Central Committee Secretary Army Gen Wojciech Jaruzelski in his address to the 10th PZPR Congress, I think that this proposal results from an analysis of the political process that takes into account the needs of the present stage and has been deduced from an assessment of the actual status of the national consensus which, if it is to be effective, must be joined in actively by increasingly broad segments of the society as well as by individuals -- including those who haven't dared to go along with the PRON from the very beginning although they themselves not infrequently profess the same ideals as we. They support the same Constitution. We are separated from them by often seeming barriers which can and should be removed -- this can be done by many of those who justly do not regard the PRON as the sole platform for dialogue. The PRON is and desires to be a party to the dialogue. I don't share the apprehensions of Col Kwiatkowski, who said at the outset that "somebody will lose if the advisory council under the Council of State is formed."

[S. Kwiatkowski] These apprehensions would be justified if the new institution turns out to be also bureaucratic.

[Z. Pilecki] I too am opposed to such suppositions, voiced here and there. They often ensue from a onesided view of, especially, new ideas. It has been plainly mentioned that the PRON will stand to lose thereby. I'm not worried that the formation of the advisory council will of itself restrict the field of action of the Patriotic Movement for National Rebirth. I don't either interpret this proposal the way one of you did, namely, as meaning that the segments of society standing outside the PRON now are rewarded, as it were, by being provided with an opportunity for political activity. One should wish these segments, which also were mentioned by Dr Letowski, that they may avail themselves of this opportunity for the common good. This is the only wish that people who understand the philosophy of national reconciliation, represented by the PRON, may address to the side in question. The PRON was formed under specific circumstances, while martial law in Poland had been in force. Naturally, at that moment in history when the fate of the Polish state was in the balance, reliance could be placed only on those political forces, social groupings, and individuals who acknowledged the contemporary solution, however

painful and difficult it may have been, to be the sole solution serving the Polish cause.

Despite everything, I can't agree with Dr Letowski's claim that the PRON has not met "the expectations linked with it." It is not enough, in my opinion, to voice a judgment so enigmatically and at the same time so categorically, about a great political movement as the PRON. A more deliberate judgment is needed. But we aren't discussing the PRON here. Let us therefore postpone this "bone of contention" till another occasion. And there will be many such occasions in times to come. For I'm convinced that the PRON has accomplished whatever was possible, and also that it had been extremely needed; that it is just as needed now, and that in the future it will be needed even more. It is simply a solid and forward-looking movement which has barely begun to accomplish its purpose, and that purpose will still take years to accomplish, with the participation of all who are interested in participating in building a modern, strong, and wisely governed Poland.

Hence, to again consider the matter on its merit, I wish to restate my support of the establishment of an advisory council under the Council of State, inasmuch as this idea is meeting a concrete political need. It is a fact that many formerly well-known activists, especially the Catholic ones, who had in the past at various times following October 1956 [workers' bread riots in Poznan], and not only then, attempted to take an active part in public life, have recently been standing aloof and haven't joined in the dialogue on the PRON's platform on the principal issues of concern to Poland and Poles. And yet the philosophy of reconciliation affirmed by the 10th PZPR Congress openly posits an opening to those who, on acknowledging the Polish *raison d'etat* and respecting the principles of the Constitution, could return to active political life and appear as a constructive factor in a dialogue leading to cooperation.

[J. Grzybczak] But will they return? Are they even now ready to open a dialogue?

[Z. Pilecki] As a Catholic activist I also am deeply convinced of the need and indispensability of such a return. This is too obvious for me to explain, and I am hopeful.

[S. Kwiatkowski] The topic we are discussing has been previously confirmed in laboratory conditions. Since 1983 an "opinion-exploring laboratory" has been existed under the CBOS. This concerns meetings among persons with the most diversified philosophies and political views. We are thus gathering the opinions of opinionmaking milieux -- journalists and social and political activists. They include intellectuals, not only the party ones but also those with close ties to the Church hierarchy, as well as advisers of former Solidarity. At first there was some illwill and a great deal of suspicion linked to these meetings and the writings of their participants. It had been feared that this might be a forum for proclaiming hostile views. Using "laboratories" of this kind as examples, the evolution of the views of individuals of varied outlook and political beliefs can be demonstrated. I wish to state that these meetings were extremely valuable and encouraging. Those who viewed them suspiciously and mistrusted this initiative turned out

to be wrong. For it turned out that such meetings are greatly needed by Marxists themselves, that those who had been expected to make hostile comments adverse to the authorities generally expressed themselves in favor of socialism and with concern for Polish issues. I believe that these laboratory findings are worth propagating and drawing conclusions from them.

The proposal to form a public advisory council suits the change in mood and views occurring in the Polish society. Recently I attempted to assess the evolution of these views during a roundtable discussion hosted by the monthly WIES WSPOLCZESNA. Let me add that social awareness and social attitudes are indicating abandonment of criticism based on frustration in favor of criticism of the economic situation and apprehensions that it may worsen. These apprehensions preoccupy the public. It seems that the situation of households is seen as better than the situation of the national economy. Hence this anxiety, this sensation of peril. Because people are afraid that things might get worse than they are, and at present, they say, things are middling. I'm referring to a majority of the society, because some 15 or so percent live quite well and an equal proportion live in poverty, but they all don't want to lose -- they speak of the threat of economic degradation, they criticize the poor organization of labor, waste, and the existing wage systems. Everyone is in accord about the need for rapid changes; the social consensus about this need is becoming more and more explicit, and at the same time there is interest in the proposed solutions -- every social group wants to protect its interests. It is high time for these different and sometimes conflicting interests to find a public expression, so that they may be reconciled on some common plane. Perhaps precisely on the plane of the PRON or of the proposed advisory council, since the existing solutions are inadequate.

[B. Zawadzka] Perhaps I'm conservative, but I claim that representative bodies should be the principal forum for the reconciliation of group interests.

[J. Grzybczak] I agree with you, except that I think the PRON also should be such a forum.

Please! In our discussion of the initiatives intended to promote the democratization of this country's life we've been focusing on the institutions of the spokesman for citizens' rights and the public advisory council. Why don't we also consider the predicted further reform of the electoral law? The PRON has formulated many postulates on this issue.

[M. Letowski] In the past there was the discussion of regulations governing the elections to people's councils and the Sejm. We recall how many expectations and hopes were linked to these regulations. We realize that in a situation of unresolved social conflict changes in the electoral law cannot be substantial. The political forces guiding this country resolved that at the time the limits of the possible had been reached. The changes in the regulations governing the elections to people's councils and the Sejm have indeed reached the limit of the possible, without altering their essence. We must realize that these changes have not altered the logic of the electoral system operating in this country for decades. Hence, the liberalization of electoral law predicted in the resolution of the 10th PZPR Congress can no longer be of a merely cosmetic nature. Hence also, the discussion of the shape

of the electoral law in Poland has to be resumed. This is urgent considering that the next elections to people's councils will occur in 2 years and, in this connection, new voting regulations have to be decreed as early as next year. When reforming electoral law we're going to face a dilemma: should we follow the Hungarian model, this being a tried and tested model which differs qualitatively from our traditional model, or should we develop our own model?

[B. Zawadzka] Hardly anyone will dispute the need for the further democratization of electoral law. The related prediction contained in the documents of the 10th PZPR Congress is vastly significant. Some revisions have been made in the regulations governing elections to people's councils and the Sejm, but I agree that the nature of the system has remained intact. And that nature consists in the exercise of control by the ruling political forces over the membership of representative bodies, not only from the standpoint of the political criteria for that membership, which are still needed, but also from the standpoint of many other criteria which I would define as secondary (such as age, sex, or even occupation). All these criteria cannot be considered equally important, and not all are decisive to the principles of our system of society.

To me, the principal problem in reforming electoral law will be answering the question of how extensive that control should be. On this answer depends the functioning of all institutions of electoral law.

Approaches to elections to the Sejm and elections to people's councils can be differentiated. It appears that the needed control at the Sejm level should be more far-reaching, whereas more elements of free choice should be allowed at the level of people's councils.

[J. Grzybczak] We should bear in mind our specific social and political traits. Resorting to the Hungarian experience is good, in view of the degree of democracy of Hungarian electoral law, but it does not correspond to our specificity, our needs. Because, essentially, in Hungary, as noted previously, a single bloc consisting of the party and nonparty members takes part in elections, whereas in our country operate three parties, three associations of Catholics and Christians, and numerous sociopolitical organizations. Hence, will it be possible to introduce single-mandate districts? Will not disputes arise if, for example, a populist [member of the ZSL -- United Peasant Party] is elected in an urban district while a worker activist or a member of the intelligentsia is elected in a rural district? And yet such an outcome is possible.

[M. Letowski] I think that we should recall the most common expectations that had been formulated during discussions of the regulations governing elections to people's councils and the Sejm. It seems to me that there has been extremely broad consensus about three such expectations. First, it is expected that a maximally broad possibility for the spontaneous nomination of candidates for councilmen and Sejm deputies will be afforded. Second, that all candidates will compete on equal rights for the mandate of the councilman or Sejm deputy, without any preferences being accorded to any candidate. And the third expectation is that the act of balloting should be secret.

[Z. Pilecki] I agree with those who postulate the further development and enrichment of instruments of socialist democracy, inclusive of the commonly expected amendments of the regulations governing elections to people's councils and the Sejm. But I think that the control of the political makeup of these bodies is a quite natural occurrence in politics. However, other aspects of the design of the electoral law and its particular solutions certainly need to be changed and will be the subject of varied discussions. The PRON will take a suitable part in this -- it already has some experience in such matters.

[B. Zawadzka] Doubtless so, but I believe that extending that control to nonpolitical aspects of the membership of these bodies is qualitatively totally different and can be markedly restricted. For the application of the statistical "template" often verges at travesty. And hence I believe that precise control of the makeup of representative bodies as based on criteria other than political ones should be abandoned. A proper social representativeness of these bodies can be achieved in other ways, though they may be more difficult than the traditional ones. But the price thus paid will not be too high if the result is authentic elections. Because elections can be formally won but politically won only to a small degree. This isn't the kind of victory that is desired. [Inconsistency as published]

[J. Grzybczak] We're in accord that the democratization of political and social life in our country should be a continuing process and one adapted to the changing conditions. Following the 6 years that separate us from the August [1980, Solidarity] events, and the several years of the application of the program for socialist renewal outlined at the Ninth PZPR Congress and at the congresses of the allied parties, we have now entered a stage requiring further reforms. The situation is ripe for taking another step forward, both in reforming electoral law and in reforming the functioning of various institutions of socialist democracy as well as in creating new institutions. But when creating new institutions we should not forget about the need to exploit the potential of the already existing institutions. After all, recent years have brought tremendous changes in the legal foundations of the activities of people's councils, cooperative self-government, rural self-government, and worker self-government. The principles of the economic reform are being applied. However, these changes still are not producing satisfactory effects. Tenacity and consistency in implementing previous programs and decisions are still needed.

In the present discussion we have devoted considerable attention to the concept of forming an advisory council under the Council of State. I would regard this initiative as an attempt to explore the possibilities for broadening the planes of national reconciliation with the forces still standing outside the PRON. The formation of the advisory council clearly can't relieve the Patriotic Movement for National Rebirth of its principal obligation, namely, of the obligation of building bridges of agreement for national rebirth and development. Prior to its Second Congress our Movement will of a certainty assess its performance so far and infer every practical conclusion serving to strengthen the position of the PRON in the country's social and political life.

In the present discussion we have not mentioned the important initiative of the PRON represented by the social draft of a decree on social consultation and popular referendum. This matter deserves to be the subject of a separate discussion. This initiative should not be ignored. The resolution of fundamental issues of concern to our nation and state requires consulting broad public opinion. I perceive the proposal for forming socioeconomic councils under voivodship people's councils to be chiefly an attempt to create yet another element of social consultation. This is not, contrary to what Mr. Zdrojewski said, an attempt to create self-government chambers. The Socioeconomic Council under the Sejm at present is primarily a consultative and advisory body.

Speaking of the spokesman for citizens' rights, Mr. Letowski proposed reversing, as it were, the sequence of formation of this institution by suggesting that such a spokesman be first appointed under the Sejm and only, afterward, after some experience is gained, his local counterparts should be appointed. This is something I fear very much, because this could trigger an avalanche of petitions to the top, bypassing the local authorities, whereas our concern is with something different, namely, with better service to citizens by local offices. Perhaps it would be better to commence this experiment in one or several voivodships, on leaving to people's councils the freedom to undertake this initiative?

In our discussion we have not of a certainty exhausted all the aspects of the topics considered. We shall revert to them also at our editorial desk and on the pages of ODRÓDZENIE.

Thank you all for participating in this discussion.

1386  
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## UNIVERSITY RECTORS MEET IN TORUN, PZPR CC SPEAKERS NOTED

Bydgoszcz GAZETA POMORSKA in Polish 11 Sep 86 pp 1, 2

[Article by (jw): "Speaking Critically of the Tasks and Functions of the Schools"]

[Text] "The schools will only be able to implement all the resolutions fully and accomplish their tasks if there is a complete normalization of the sociopolitical situation in them," stated Prof Benon Miskiewicz, the Minister of Science and Higher Education, during a conference yesterday in Torun of university rectors and representatives of school party and union organizations. Also participating in the meeting were Prof Tadeusz Porebski, a member of the Politburo and secretary of the PZPR Central Committee, Zenon Draminski, first secretary of the PZPR Voivodship Committee, Jerzy Szmajdzinski, the chairman of the ZG ZSMP [Main Administration of the Union of Socialist Polish Youth], Governor Stanislaw Trokowski, and representatives of political parties and youth organizations.

The participants in the conference were welcomed by the rector of the Nicholas Copernicus University, Prof Stanislaw Legowski, who informed the guests about the history of Torun's alma mater. Prof Stanislaw Nowacki, an undersecretary of state in the Ministry of Science and Higher Education, spoke about the tasks of higher education. He included in his speech, among other things, the statement that all changes in study plans and teaching programs must be accompanied by a modernization of the teaching process. At every school, it is necessary to undertake activities leading to an expansion of active teaching forms and methods, and to the generalization of study plans and programs. It is disturbing that at some schools barely a quarter of the total number of students finish their studies on time. In spite of the adoption of new regulations creating the possibility of improving discipline in studies, the expected improvement in the punctuality of their completion has not occurred.

More than 10 speakers took part in the discussion. "Our policy in conducting scientific research," stated Prof Grzegorz Bialkowski, the rector of the University of Warsaw, "should not be accompanied by a desire to overtake world science across the entire front, since such attempts would condemn us to failure. We should instead try to surpass world science in selected fields, without neglecting the rest in doing so."

"The development of science is an indisputable necessity," noted Antoni Szczucinski, the first secretary of the PZPR School Committee at the Adam Mickiewicz University in Poznan. "We should concentrate scientific resources on the research problems that are crucial for the country. A stable situation in every sphere is required for this. One can already see that some scientific personnel are tired of politicization and personnel changes; such stress does not allow sufficient concentration on conducting scientific research."

The rector of the Jagiellonian University, Prof Jozef Gierowski, emphasized the issue of the anachronistic model of today's universities in Poland. "It seems," he stated, "that in their form they are deviating from the modern system of national education that has been launched. Universities have lost a link with practical experience. A great deal of theory has been developed in them, but practical directions have almost completely vanished from these schools." "I agree that one can observe symptoms of stabilization in the universities," stated Bogdan Jurkiewicz, first secretary of the PZPR KU [School Committee]. "I think that the excessively optimistic opinions of some people in this respect are a misconception. The quality of scientific research also does not incline one toward optimism. The results obtained, especially those with practical usefulness, are embarrassingly meager in view of the number of scientific workers and public expectations."

"We have often heard comments about the disturbing situation of the lecturers," stated Prof Jacek Fisiak, the rector of the Adam Mickiewicz University in Poznan. "In the meantime, a survey of the assistant professors revealed more disturbing facts, because we found that among them are some who for many years have barely published a single little article in the daily press. Speaking of the standing of a university, one should note that it will be significant to the extent that the university milieu is willing to remember that it is also acting for society, and will meet society's demands halfway."

Prof Tadeusz Porebski, a PZPR Central Committee secretary, also took part in the discussion. "We hope," he said, among other things, "that the organization of the educational process should show a definite improvement this year. Since the first postwar years, this has remained the weakest side of Polish schools. The task of seeking a formula for educational influence over student society is still a current one. Speaking to young people should not be the only weapon here; the everyday attitudes of academic educators should also play a role. Also, one cannot neglect support from youth organizations. On the other hand, study discipline should be consistently enforced."

Prof Benon Miskiewicz, the Minister of Science and Higher Education, expressed his views on many of the issues raised in the discussion in his statement summing up the conference.

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## HIGHER EDUCATION COUNCIL PROJECTS BROAD ROLE

Warsaw TRYBUNA LUDU in Polish 17 Sep 86 p 5

[Interview with Prof Klemens Bialecki, chairman of the Main Council of Science and Higher Education, by Andrzej Skrzypczak: "On the Form of the Modern School"]

[Text] The Main Council of Science and Higher Education, according to the provisions of the law on higher education, is an elected representative body for such education. Its special role in the structure of academic self-government is not based solely on representing schools. The broad decision-making and advisory powers granted to the Main Council mean that it performs the role of a body jointly deciding on the present and future form of Polish higher education.

We spoke about the current work and aims of the Main Council with its chairman, Prof Klemens Bialecki.

[Question] The activity of the Main Council in the second term actually began before the vacation break, but perhaps there is no major error in stating that the Council will really take up its work during the new academic year, and begin it during the plenary meeting on 18 and 19 September in Wroclaw.

[Answer] I must add for the sake of accuracy that it was during the first two plenary meetings in February and March 1986 that we settled the organizational and program issues, so that the third meeting in May, the last one, was already a substantive one.

We gave an opinion then on the drafts of several legal documents prepared by the Ministry of Science and Higher Education. We also worked out the Council's position on very fundamental issues related to scientific research, and more broadly, with the questions of the development of science and technology. Our approach to the problem of research and the development of science and technology was primarily determined by the fact that we wanted to express a position on the national scientific research program prepared for the current 5-year period, and also by the need to become involved in the discussion before the 10th PZPR Congress.

We furthermore adopted the principle that in our further work, during each plenary meeting--in addition to the discussion of current and detailed issues--we would examine as exhaustively as possible one of the subjects crucial to higher education. At the next meeting in Wroclaw, that dominant theme will be investments in higher schools. We want our position to be able to be taken into account and utilized during the final determination of the investment plan for the period until 1990, which is to take place soon.

In the program and plan for our work, we tried to take into account the most vital problems of higher schools. The order of discussion of individual subjects is a result not only of the degree of their importance, but also of the need to synchronize our work with the plans of various administrative bodies.

[Question] Since the order of the examination of the issues does not define their importance, what is the real hierarchy of the problems that the Council will deal with?

[Answer] I think that one of the most important subjects is the cadre problems of higher education. After all, not only the development of science, but also the quality of education and teaching depends to a great deal upon the scientific level of these cadres. What we are particularly concerned with is elaborating our view of the overall cadre situation in higher schools. We will only then be able to propose suitable solutions for such problems as the links between the scientific cadres of higher schools and practical experience, and the problems of the flow of cadres to various sectors of the national economy and in the opposite direction.

The next enormous problem is the form of higher education in Poland. The Ministry has already begun work on preparing a long-term model of the higher school of the 21st century, which should after all have a basis in the present school. In developing it, it is necessary to decide whether the present structure of the higher school is suitable, or whether it is becoming necessary for schools to be concentrated and specialized.

At present, every school would like to do everything, and contain all types of students. The questions therefore arises of whether small schools should not be more specialized. The previous term's Council debated on the long-term model for schools. We will continue this subject.

We will also try to find an answer as to whether we are educating as many students as we should, and how we should educate them. Should we cover a broad range, or emphasize more professional preparation? We will have to deal with this and also upbringing in higher schools in the near future.

[Question] These subjects are almost identical with the tasks in the resolution from the 24th Plenum of the PZPR Central Committee...

[Answer] The documents presented at the 24th Plenum were tremendously important for all of higher education. This was next emphasized in the Resolution of the 10th PZPR Congress. The Congress acknowledged that all of the determinations of that plenum should be implemented. This confirmation is

the result of a profound familiarity with the situation that exists in higher education. It is difficult to imagine the Council's not dealing with these subjects.

[Question] Will the results of the Council's work be suitably utilized when the corresponding orders are issued? Will they be applied in practice?

[Answer] Past experience permits us to hope that our opinions will be taken into consideration. This is demonstrated, at least, by our good cooperation with the Ministry of Science and Higher Education. The Minister instructed his departments to respond to the Council's opinions, explaining which of our proposals had been taken into account and which had not, and why.

The Ministry is obligated to make some decisions in consultation with the Council. Their content is jointly agreed upon, and they are signed by both the Minister and the chairman of the Council.

We also have an example of our opinions on more general matters not going unanswered either. We presented our position on the issue of scientific research to deputy premiers Zbigniew Gertych and Zbigniew Szalajda. We received concrete replies on this subject.

I think that that is what real consultation is like. All of this demonstrates that the results of our work, our opinions, and our proposals are treated seriously and are reflected in practice.

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## HIGHER EDUCATION COUNCIL SESSION 'INVIGORATING'

Warsaw RZECZPOSPOLITA in Polish 20-21 Sep 86 p 2

[Excerpts] What is the major requirement for scholarly activity--an internal need for knowledge and discovery or fees and other factors? This questions could not be avoided in discussions on the material situation of academic employees, a subject which dominated second day sessions of the Main Council on Science and Higher Education in Wroclaw.

In the position of the Main Council's Economic Committee on wages for higher education employees, the answer was unequivocal--material circumstances are not the most important reason for conducting academic work but they have a direct effect on it. Education entangled in material problems does not meet public expectations. In the committee's opinion, the present system and level of wages for academic employees does not correspond to the position that higher education should hold in society. Wages have become a barrier that effectively inhibits the flow of the most capable graduates into education. Low salaries elicit pursuit of additional income and do not permit concentration on the matters most important for education.

Responding to stipulations on the creation of favorable conditions for young, capable academic employees, the ministry is introducing doctoral and assistant professorial stipends of one-third of base pay. Young employees who are completing their doctoral or professorial work can receive them. Wages for degree-conferring professors will also increase--20,000 zloty plus a fee of 5,000 zloty for critiques. Functional bonuses and compensation for extra hours will be unchanged.

This regulation was adopted approvingly: "These are invigorating words," said one of the participants about the information from the ministry representative. but the council viewed it as temporary and inadequate, favoring the establishment of a stable wage system for employee in higher education. It was agreed, however, that the regulation has the mark of increases so welcome in the academic environment and that it conforms to current national economic capabilities.

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## HIGHER EDUCATION PHYSICAL PLANT, SALARIES DISCUSSED

Warsaw TRYBUNA LUDU in Polish 20-21 Sep 86 p 8

[Text] On the usually extensive agenda of the Main Council on Science and Higher Education, which concluded its plenary session on 19 September in Wroclaw, material questions for education as well as for the personnel employed in it predominated. After discussion on the first day on capital investment problems, on the second day the session devoted much attention to issues of wages for academic employees. Although the basic motive for authentic academic work, according to the position of the Economic Committee of the Main Council, is the passion for knowledge and development of learning, one cannot forget that modern education must have a substantial material base and its employees should have suitable conditions to enable them to concentrate on research and didactic work.

The relatively low level of wages in higher education makes for such unfavorable phenomena as difficulties with attracting young personnel or the flight of capable and valuable employees to other fields. A wage adjustment in higher education introduced as of 1 October will mitigate this situation. According to information presented by the Ministry of Science and Higher Education, the average for an academic instructor is more than 3,600 zloty monthly and 2,500 zloty for a non-teaching academic employee. Thus from 1 October the base salary for a regular professor, for example, will be 38,000 zloty and 17,000 and 15,000 for an assistant lecturer and assistant respectively. The material situation of young academic personnel will also be subject to improvement because people preparing doctoral and assistant professorial work will receive stipends.

The proposal of the minister of Science and Higher Education on the definitions by the Main Council of academic disciplines wherein people with doctoral degrees can be employed in docent positions, elicited many hours of discussion, not without controversial tones. This issue is associated with definitions of a model of so-called alternative academic careers stipulated in a resolution of the 24th Plenum of the PZPR Central Committee. As a result of discussions, it was decided that an opinion on the minister's proposal should be postponed to a later date.

Boguslaw Kedzia, director of the PZPR Central Committee's Division of Science, Education and Scientific-Technological Development, participated in the sessions.

## WEEKLY REVIEWS, ATTACKS 'INDEPENDENT ENCYCLOPEDIA'

Warsaw RZECZYWISTOSC in Polish No 40, 5 Oct 86 p 3

[Review by Waldemar Stelmach of encyclopedia "Niezalezna Encyklopedia Powszechna" [Independent Universal Encyclopedia], Volume 1, Slowo Press, "Zeszyty Edukacji Narodowej" [National Education Series], Warsaw, 1986]

[Text] It is difficult to review an encyclopedia, because how can the subject matter be described and a position on it taken? If it is done selectively, this invites carping because some subjects are considered but others are not. On the other hand, a single criterion cannot be applied to all the subjects. Besides, every particular item is usually so lapidary that the sole possible comments may pertain to the need to expand the article or the criticism that its treatment is too meager.

Except when...and here a real review can be undertaken. Except when an encyclopedia is not an encyclopedia or when it is authentically tendentious. But such criticism has to be proved in order for the critic not to sound rhetorical and not to be himself accused of being biased.

In the case of the "Niezalezna Encyklopedia Powszechna" [Independent Universal Encyclopedia] published this year under the financial aegis of the Committee for Independent Culture, Science, and Education, as part of "Zeszyty Edukacji Narodowej" [National Education Series] (that is, published by the so-called second circulation [the underground]), this is not difficult to prove. The reviewer's labor is facilitated chiefly by the Introduction to that "Independent Encyclopedia."

Introductions to encyclopedias usually are brief, even when they include explanations. The contents are to speak for themselves. In the case considered this is not so.

The authors deemed it fit to explain to the reader why they decided to write this work and what is its purpose. This is rather surprising -- explaining to the reader the purpose of an encyclopedia. This may point to either lack of respect for the reader or the failure of the encyclopedia to accomplish its principal purpose, that is, to transmit a particular compendium of knowledge. The former assumption does not come into question here. At most, there may be concern that an attempt to transmit knowledge and education on the basis of works of this kind may lead to the abovementioned attitude. Thus there remains the latter assumption, which raises the question whether the Encyclopedia



purveys exhaustively the store of knowledge on a given topic or whether it has other functions and purpose?

And here we have reached the point at which it is necessary to answer clearly why the authors deemed it fit to explain to the reader why they have published the "Independent Encyclopedia."

Let us note again that the purpose of normal encyclopedias is to provide the questing reader with a suitable store of knowledge. But the "Independent Encyclopedia" pursues a different aim. The authors admit openly in their Introduction, "We believe that this encyclopedia will be a factor stimulating a revolutionary desire for changes in the Polish society." And hence this concerns not providing a possibility for augmenting knowledge but eliciting a particular mental, ideological, and factual mindset. But since this is not a worldshaking event, it was decided, and justly at that, to inform the reader what is to be expected from the work accomplished.

The abovesited declaration is at the same time marked by an unprecedented arrogance: by means of several declarative statements the 15 or so contributors desire to engender a revolutionary, or rather a counterrevolutionary, situation.

One would simply like to instruct the editor and the contributors as to what conditions must arise before a revolutionary situation can be created. But since that would be a fragment of knowledge from the domain of scientific communism, they would not take notice of it anyway.

Let us therefore put an end to the barren discussion. This will not be an objective encyclopedia either. We read in the Introduction that, "In its final shape this will certainly be an anticommunist work, but this is neither our intention, nor our assumption, nor to be credited to us."

Meaning that this was written of itself, and since this was written of itself, this means that the authors either could not control their pens or, what is most likely in the second part of that sentence, they are lying!

Because the creation of an anticommunist libel was precisely their intention and their assumption. As far as the credit due them, that will be reckoned by others, who will richly pay for it. Above all, because a sentence so constructed verges at mocking the reader and sounds like the witticism of a cabaret comedian rather than as part of an introduction to an encyclopedia. Statements of similar ilk are numerous. As a consequence, the Introduction as a whole is politically -- anticommunistically -- colored. At the same time, the "Encyclopedia Powszechna" [Universal Encyclopedia] published by the PWN [State Publishing House] is criticized for stating in its Introduction that it was created on the basis of committed scholarship. It is worth noting that commitment does not have to be coupled with absence of objectivity, but it is unfortunately thus coupled in the "Independent Encyclopedia."

In addition to the aims of that "capital work", the Introduction describes its origins. They derive from "the growing need over the years to counter propaganda manipulations performed also with the aid of encyclopedias."

But what is the "Independent Encyclopedia" itself if not an 800-pound gorilla of propaganda and manipulation? Really, none of the previously published encyclopedia can measure up to it in this respect.

Consider for example the following two statements in that Introduction: "Similarly, why is it for example that our knowledge of not only Rydz-Smigly but also Batory is being so assiduously curtailed, although the latter was not an anticommunist?" What can one say about it, and how is one to view it? Or, the following passage in the article on June 1976: "...The arrogant behavior of the administrative director prompted the workers to leave the plant." This is hardly encyclopedia language; it is rather classical propaganda phraseology. Because who can define the borderline at which commence arrogance, verbal diversionary activity, incitement, or belligerence? Normal encyclopedias do not employ such phraseology.

The PWN's "Encyklopedia Powszechna" is criticized in that Introduction: "A large number of articles in the 'EP' is thoroughly and in an extremely refined manner falsified." Let us assume that the authors of the "Independent Encyclopedia" compared the articles in "Encyklopedia Powszechna" with the reality and other studies and that they are partly right. But in view of this, what are we to call the falsification of the principles of Marxist philosophy by the authors of the "Independent Encyclopedia"? They suggest to the reader that Marxism denies the role of the individual in historiography, that "...history is created not by individuals but by the impersonal forces and laws described by Marx." This is the polar opposite of Marxist philosophy, which turns it upside down.

Even the worst and shoddiest handbooks on philosophy observe that the basis of the philosophy of dialectical materialism is the material activity of man. This is known even to secondary-school students after a year's study of the propaedeutics of philosophy. But the founders of that encyclopedia are ignorant of it. There is no need to add that such ignorance disqualifies the authors and the publishers as scholars (and not only as that).

The encyclopedia contains about 100 articles. They are rather fortuitous in nature, because, as the editors state, they were collated depending on the influx of material from contributors. They can be divided into four principal groups:

1. (Big and extremely minor) Solidarity activists; 2. Soviet dissidents; 3. Institutional articles; 4. Leaders of the 1920-1921 [Polish-Soviet] war.

The selection of some of the articles as well as their nature is risky, to say the least, and certainly controversial. Solely for illustration, let us consider below several of these articles.

For example, the article on Dariusz Fikus. His writings, his government-conferred decoration, and his professional and Solidarity duties are described objectively. The article does not show just why he merits being included in an encyclopedia, even in such a one. His is a controversial figure. Recently, J. Urban [the government press spokesman] wrote of him that, while he had worked

for POLITYKA, he licked the more remote portions of M. F. Rakowski's anatomy. J. Urban used to work for that periodical, too, so he certainly knows what he is saying about D. Fikus.

Another example: the article on Andrzej Szeptycki [Sheptytsky], that "victim of Tsarist and Soviet religious persecution" and "candidate for altars." His is a figure much better known than D. Fikus, and much more controversial, especially in the context of the article by E. Prus, "The Swietojurski Autocrat." If the author of that article wanted to elevate Metropolitan Szeptycki to sainthood, E. Prus has most likely and effectively prevented this.

At times it seems that it is enough to belong to Solidarity or be the author of an underground publication in order to merit being placed among the "immortals" crowned in this Solidarity encyclopedia. For example, what has Mrs. Zyta Orsztyń or Mrs. Irena Lewandowska done to deserve being the subject of an article in the encyclopedia, unless it is considered that the former was a translator of Soviet literature and a liaison between the ZLP [Polish Writers Union] and a region of the former Solidarity, while the latter had published something in the underground. That was all they did, and apparently this was enough to qualify them for the pantheon of the encyclopedists. Also dubious is the need to include and relate a biography of the former Wehrmacht soldier Otto Schimek. A field court martial had condemned O. Schimek to be shot for deserting. According to the article in the encyclopedia. O. Schimek was shot for refusing to participate in shooting Poles. This issue was at one time publicized in the Press, but the author of the article does not have it in himself to provide the other interpretation of the Schimek affair.

Complementing the pleiad of Solidarity activists are the names and biographies of Soviet dissidents. The matter is transparent. This concerns showing that the struggle against socialism is being waged not only in Poland, that anticommunist heroes also exist in the USSR. An unintended negative effect is produced by the observation that some of the dissidents prefer to struggle against communism while enjoying the comforts provided for them in capitalist countries. For it so happens that an overwhelming majority of the dissidents already are living outside the boundaries of the USSR, and those who remain are diligently attempting to join them.

A rather substantial number of articles deals with commanders during the 1920-1921 war. Their inclusion in the encyclopedia is intended to show that the Soviet Union has historically been a bad neighbor and that we have always had troubles with it.

The intended aim has already been partially accomplished by the editors. They succeeded in constructing a sizable pantheon of names and partly anticommunist views. They promise that further volumes of the encyclopedia will be published.

1386  
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POLITICS

POLAND

BLOC YOUTH, KRAKOW PZPR MEETING

Krakow GAZETA POMORSKA in Polish 3 Sep 86 p 4

[Article by (ip): "Meeting of Youth From the Socialist Countries"]

[Text] (Own information) Meetings of young people from the socialist countries from plants bearing the name of Vladimir Ilich Lenin are already a tradition. The young people participate in conferences and camps, during which they exchange experiences from their work and social activity. Discussions are held about the Leninist concept of the youth movement, and problems in the areas of international and economic policy are discussed. There is also a place at these meetings for subjects associated with culture, sports, and leisure.

Yesterday was the day for meetings and discussions between PZPR Central Committee member Wladyslaw Kaczmarek and Kazimierz Gron, the head of the PZPR Central Committee's Political-Organizational Department, and delegations from the central echelons of youth federations from the following socialist countries: the USSR, Bulgaria, Czechoslovakia, the GDR, and Hungary. These representatives of worker youth, together with Polish youth, will participate in the International Worker Youth Forum taking place in Bartkowa under the slogan "Lenin--October--Youth."

Wladyslaw Kaczmarek, in a talk with the foreign guests, informed them about the most important economic issues of our region. He also spoke on the subject of the 10th PZPR Congress and the preparations for the upcoming Krakow party reports-electoral conference.

Krzysztof Matzka, the chairman of the ZK ZSMP [Union of Socialist Polish Youth], took part in the meeting.

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## ACTIVITIES OF PZPR CENTRAL COMMITTEE POLITBURO REPORTED

Calendar 18-31 August 1986

Warsaw ZYCIE PARTII in Polish No 19, 10 Sep 86

[Unattributed report: "Party Chronicle, 18-31 August 1986"]

[Text] Sessions of the Politburo of the PZPR Central Committee:

26 Aug

-- The Politburo discussed the country's socioeconomic situation. A draft plan for implementing the resolution of the 10th party congress was considered and approved in its part pertaining to socioeconomic goals.

-- The Politburo listened to a report on the progress of harvesting and procurements and on the anticipated harvest of grain and other crops.

Conferences and Meetings:

22 Aug

-- In Warsaw was held a conference of agricultural secretaries of province PZPR committees. The fulfillment of the resolution of the 10th Congress was discussed with respect to the countryside, agriculture, and food industry, with special consideration of tasks of party work ensuing from the recent decisions of the Politburo concerning improvements in land management. The deliberations were chaired by Candidate Member of the Politburo and PZPR Central Committee Secretary Zbigniew Michalek.

25 Aug

-- Politburo Member and Central Committee Secretary Jozef Baryla received a delegation of the South Moravian Province Committee of the Czechoslovak CP from Brno, headed by Deputy Member of the Central Committee Presidium and First Secretary of the Province Czechoslovak CP Committee in Brno Vladimir Herman, during its sojourn in Poland at the invitation of the Poznan Voivodship PZPR Committee. Participating in the meeting was First Secretary of

the Poznan Voivodship PZPR Committee Edward Lukasik. Present was CSSR Ambassador Jirzi Divisz.

28 Aug

-- Politburo Member and Central Committee Secretary Jozef Baryla received Executive Secretary of the Presidium of the Central Committee of the Yugoslav CP Stanislaw Stojanovic during the latter's vacation in Poland. Participating in the meeting was the Yugoslav Ambassador Milivoje Maksic.

28-29 Aug

-- In Warsaw was held a seminar for party-training lecturers and instructors from all over the country, devoted to discussing the party's tasks in implementing the resolutions of the 10th Congress. Participating in the seminar were PZPR Central Committee Secretary Henryk Bednarski and Director of the Ideology Department under the Central Committee Wladyslaw Loranc.

30 Aug

-- In connection with the fourth anniversary of the death of Wladyslaw Gomulka, which falls due on 1 September, flowers were placed on the grave of "Wieslaw" in Warsaw's Powazki Cemetery. On behalf of the PZPR Central Committee a wreath was placed by a delegation headed by PZPR Central Committee Secretary Stanislaw Ciosek.

-- Politburo Member and Central Committee Secretary Tadeusz Porebski received Member of the GDR Council of Ministers and Director of the Youth Office Hans Sattler during the latter's sojourn in Poland.

At Party Echelons and Organizations:

19 Aug

-- Politburo Member and Minister of National Defense Army General Florian Siwicki toured Military Automotive Plant No 3 in Glowno (Lodz Voivodship). Toward the end of his working tour Gen F. Siwicki met with the plant's socio-political aktiv.

-- Candidate Member of the Politburo and First Secretary of the Gdansk Voivodship PZPR Committee Stanislaw Bejger visited farmers working on Zulawy fields in the gminas of Pruszcz Gdanski and Cedry Wielkie.

21 Aug

-- Farmers of Slubczyce Gmina in Opole Voivodship were visited by Chairman of the ZSL [United Peasant Party] Supreme Committee and Speaker of Sejm Roman Malinowski, who was accompanied by Candidate Member of the Politburo and PZPR Central Committee Secretary Zbigniew Michalek and Secretary of the ZSL Supreme Committee Kazimierz Olesiak.

22 Aug

-- The Leszno Voivodship PZPR Committee discussed tasks of the party organization and echelon ensuing from the 23rd Central Committee Plenum and the 10th Party Congress for the period of the reports-elections campaign.

-- Politburo Member and OPZZ [All-Polish Consensus of Trade Unions] Chairman Alfred Miodowicz met with the aktiv of the party organization at the Lenin Iron and Steel Combine. The sociopolitical situation of the country was discussed in the context of the anniversary of the August agreements.

25 Aug

-- The Kielce Voivodship PZPR Committee discussed the tasks facing the voivodship party organization in the light of the Congress resolutions and the directives of the Second Plenum of the PZPR Central Committee. As regards organizational matters, the committee accepted the resignation of Maciej Lubczynski from the post of first voivodship committee secretary in connection with his transfer to work at the Central Committee in the post of director of the Socio-Occupational Department. The newly elected first secretary of the voivodship committee is Jaroslaw Motyka, previously voivodship committee secretary. Participating in the deliberations was Politburo Member and Central Committee Secretary Jozef Baryla.

-- Political and economic problems of the country were discussed at a meeting of Politburo Member and Central Committee Secretary Jozef Baryla with young people at the training and recreation camp of the ZSMP [Union of Socialist Polish Youth] in Stelpia, Kielce Voivodship. Participating in the meeting were Director of the Socio-Occupational Department under the Central Committee Maciej Lubczynski and Deputy Director of the Personnel Policy Department under the Central Committee Jerzy Wojcik.

27 Aug

-- The Szczecin Voivodship PZPR Committee discussed the tasks of the voivodship party organization following the 10th Congress. Participating in the deliberations of the Voivodship Defense Committee in Poznan was Politburo Member and Deputy Chairman of the Council of State Kazimierz Barcikowski.

-- Politburo Member Zygmunt Muranski visited the workforce of the GLINIK Drilling and Mining Machinery Factory in Gorlice, Nowy Sad Voivodship.

28 Aug

-- The Gorzow Wielkopolski Voivodship PZPR Committee evaluated the fulfillment of the voivodship's economic tasks for the first 7 months of this year and the performance of the voivodship party echelon.

-- The Lodz Voivodship PZPR Committee discussed tasks ensuing from the resolutions of the 10th Congress and the preparations for the voivodship reports-elections conference.

-- The Poznan Voivodship PZPR Committee discussed the tasks of party echelons and organizations in reviewing the performance of organizational structures as based on the job certification method.

29 Aug

-- The Lomza Voivodship PZPR Committee discussed tasks ensuing from the resolutions of the 10th Congress to the voivodship party organization. Participating in the meeting was PZPR Central Committee Secretary Stanislaw Ciosek.

-- Politburo Member and Minister of Internal Affairs Arms General Czeslaw Kiszczak toured, together with the Minister of Agriculture, Forestry, and Food Industry Stanislaw Zieba, and the Chairman of the Main Board of the ZSMP Jerzy Szmajdzinski, some of the facilities of the Military Farm of the Ministry of Internal Affairs and met with participants in the "Polonina '86" Central Youth Camp for Recreation and Work, Ministry of Internal Affairs.

Calendar 1-14 September 1986

Warsaw ZYCIE PARTII in Polish No 20, 24 Sep 86 p 21

[Unattributed report: "Party Chronicle, 1-14 September 1986"]

[Text] Sessions of the Central Committee Politburo:

9 Sep

-- The Politburo evaluated the performance of the Worker and Peasant Inspection Teams during the first half of this year, inclusive of the results of nationwide inspections of housing allocations.

-- The Politburo discussed the status and directions of the work to streamline enterprise management and strengthen the position of the participating administrative and workforce bodies.

-- The Politburo familiarized itself with the course and results of the official friendship visit of the Chairman of the Council of Ministers Zbigniew Messner to the Hungarian People's Republic.

Conferences and Meetings:

1 Sep

-- On the 47th anniversary of the Hitlerite aggression against Poland patriotic manifestations, rallies, and rollcalls of the dead were held throughout the country. In Warsaw, on behalf of the PZPR Central Committee, flowers were placed at the Monument to Warsaw's Heroes by the Politburo members and Central Committee secretaries Jozef Baryla, Jozef Czyrek, and Jan Glowczyk.



On the first day of the new school year, the following members of party leadership met with youth and teachers:

-- Jozef Baryla, at the Warsaw Academic Lyceum named after People's Polish Aviation;

-- Wlodzimierz Mokrzyaszczak, at the new Elementary School in Dywity, Olsztyn Voivodship;

-- Tadeusz Porebski, at the Combined School of Mechanical and Electrical Trades in Wroclaw;

-- Florian Siwicki, at the new Elementary School No 3 in Zlociniec, Koszalin Voivodship;

-- Marian Wozniak, at the Michal Konarski Combined School of Mechanical Trades in Warsaw;

-- Janusz Kubasiewicz, at the Wladyslaw Gomulka Combined Vocational School in Warsaw;

-- Zbigniew Michalek, at the Combined Forestry School in Milicz, Wloclawek Voivodship;

-- Henryk Bednarski, at the new Elementary School No 3 in Sanok.

2 Sep

The following members of the party leadership met with factory workforces:

-- Prime Minister Zbigniew Messner visited POLAM Works in Pila. On the same day, Zbigniew Messner, accompanied by Army Gen Florian Siwicki, visited airmen and armored forces personnel;

-- Jozef Baryla, at the PETROCHEMIA Refinery in Plock;

-- Jozef Czyrek, at the Warszawa Iron and Steel Plant;

-- Jan Glowczyk, at RAWENT Works in Skierniewice and the Zyrardow Industrial Textile Works;

-- Wlodzimierz Mokrzyaszczak, at the Nowotka Iron and Steel Plant in Ostrow Swietokrzyski;

-- Zygmunt Muranski, at the Raciborz Boiler Plant;

-- Marian Orzechowski, at the October Revolution Printing Plant in Warsaw;

-- Zofia Stepien, at the Bierut Iron and Steel Plant in Czestochowa;

-- Stanislaw Bejger, at the DELTA-BIMET PZL in Gdansk-Oliwa;

-- Janusz Kubasiewicz, at RAWAR Telephone Equipment Plants and the Eastern Warsaw Division of the Polish State Railroads;

-- Zbigniew Michalek, among farmers of Chelm Voivodship;

-- Gabriela Rembisz, at the GOPLANA Sugar Industry Works in Poznan;

-- Henryk Bednarski, at the Sanok AUTOSAN;

--- Stanislaw Ciosek, at factories in Radom Voivodship.

### 3 Sep

-- In the PZPR Central Committee Building was held a conference of first party committee secretaries at central offices and institutions. Party committee tasks as regards applying and implementing resolutions of the 10th Party Congress were discussed. The conference was chaired by Politburo Member and Central Committee Secretary Jozef Baryla and attended by Politburo Member and CKKR [Central Party Control and Audit Commission] Chairman Wlodzimierz Mokrzyaszczak and Chief of the URM [Office of the Council of Ministers] Michal Janiszewski.

### 4 Sep

-- Politburo Member and Central Committee Secretary Jozef Czyrek received a group of CDU and CSU deputies to the Bundestag, headed by the Chairman of the Subcommittee for Foreign Cultural Policy Karl-Heinz Hornhues, during their sojourn in Poland. The group also was received by Politburo Member and Minister of Foreign Affairs Marian Orzechowski.

### 5 Sep

-- The heads of the CKKR held talks with the Minister of the Metal and Machinery Industry (MHiPM) Janusz Maciejewicz and with the First Secretary of the Party Committee at the MHiPM Kazimierz Furmanczyk. The performance of the ministry was evaluated, upon drawing attention to numerous shortcomings. The meeting was chaired by Politburo Member and CKKR Chairman Wlodzimierz Mokrzyaszczak.

### 6 Sep

-- At the Belvedere, members of highest party and state authorities headed by Wojciech Jaruzelski met with merited farmers and agricultural workers. State decorations were conferred upon eighty participants in the meeting.

### 7 Sep

-- At Szamotule in Poznan Voivodship was celebrated the traditional Harvest Festival. It was attended by representatives of highest party and state authorities, headed by Wojciech Jaruzelski, Roman Malinowski, and Zbigniew Messner.

8 Sep

-- Under the chairmanship of First Central Committee Secretary Wojciech Jaruzelski and in the presence of Central Committee secretaries, a conference of first secretaries of voivodship party committees was held. The implementation of the decisions of the 10th Congress and the preparations for post-Congress reports-elections conferences and meetings were evaluated.

10 Sep

-- Politburo Member and Central Committee Secretary Jozef Czyrek met in Srodborowo with participants in the "Vanguard of the 21st Century" ZSP [Polish Students Association] Camp. The program accomplishments of the 10th Congress and the participation of youth in accelerating the country's socioeconomic development were discussed.

11 Sep

-- First PZPR Central Committee Secretary, Chairman of the Council of State, and Supreme Commander of the Armed Forces of the PRL [People's Republic of Poland] Army General Wojciech Jaruzelski received Member of the SEDP Politburo and GDR Minister of National Defense Army General Heinz Kessler during the latter's sojourn in Poland. The meeting was attended, on the Polish side, by Politburo Member and Minister of National Defense Army Gen Florian Siwicki and the Generals Jozef Uzycki, Tadeusz Szacilo, and Wojciech Baranski.

12 Sep

-- PZPR Central Committee Secretary Henryk Bednarski met with participants in a postgraduate seminar on the Soviet Union and Polish-Soviet relations sponsored by the Polish Academy of Sciences and the Main Board of the Polish-Soviet Friendship Society.

13 Sep

-- Politburo Member and Central Committee Secretary Jozef Baryla met with the chairmen and secretaries of SD [Democratic Party] voivodship committees at a conference dealing with the reports-elections campaign within the SD. Jozef Baryla discussed the directions of work to implement the resolutions of the 10th Party Congress.

At Party Echelons and Organizations:

3 Sep

-- The Bielsko-Biala Voivodship PZPR Committee examined materials for the voivodship reports-elections conference.

-- The Ciechanow Voivodship PZPR Committee discussed and approved documents for the voivodship reports-elections conference.

-- The Zamosc Voivodship PZPR Committee approved materials for the voivodship

reports-elections conference.

-- The party committee at the Lenin Iron and Steel Plant discussed new forms of political education.

-- Politburo Member and Central Committee Secretary Marian Wozniak toured the WIEPOFAMA Special Machine Tools Factory in Poznan.

-- The deliberations of the Voivodship Defense Committee in Katowice were attended by Politburo Member and Minister of National Defense Army Gen Florian Siwicki.

-- Under the chairmanship of Florian Siwicki, who also is Chairman of the Main Council of Friends of Scouting, was held at the Katowice ZHP [Polish Scouts' Union] Center a meeting of chairmen of ZHP WRP and commanders of ZHP troops from 10 voivodships.

-- Politburo Member Zygmunt Muranski met with a group of worker-movement veterans in Wodzislaw Slaski.

4 Sep

-- The Warsaw Voivodship PZPR Committee discussed the tasks of the party organization in the Nation's Capital as regards implementing the resolutions of the 10th PZPR Congress. The deliberations were chaired by Candidate Member of the Politburo and First Secretary of the Warsaw Voivodship PZPR Committee Janusz Kubasiewicz. As regards organizational matters, voivodship committee secretary Jerzy Boleslawski was released from his duties owing to his appointment to the post of the Mayor of Warsaw. Andrzej Skapski, previously first secretary of the Downtown Warsaw PZPR Committee, was elected the new voivodship committee secretary.

-- The Plock Voivodship PZPR Committee discussed draft documents for the voivodship reports-elections conference.

6 Sep

-- The Gdansk Voivodship PZPR Committee discussed the implementation of resolutions of the 10th PZPR Congress and the tasks of the voivodship party organizations in the reports-elections campaign. The deliberations were chaired by Candidate Member of the Politburo and First Secretary of the Voivodship PZPR Committee Stanislaw Bejger and attended by the Director of the Department of Science, Education, and Technology Progress Boguslaw Kedzia.

-- The Tarnow Voivodship PZPR Committee outlined the tasks of party echelons and organizations in implementing cadre policy and approved materials for the voivodship party conference.

-- The Economics Academy in Poznan celebrated its 60th anniversary. On the occasion was held a reunion of graduates of the Academy, among whom also present was Politburo Member and Central Committee Secretary Marian Wozniak.

7 Sep

-- In Szamotule was held a ceremonial conferral of state decorations on merited farmers and agricultural employees of Wielkopolska. The decorations were conferred by Candidate Member of the Politburo and Secretary of the Central Committee Zbigniew Michalek.

9 Sep

-- The Biala Podlaska Voivodship PZPR Committee discussed preparations for the voivodship reports-elections conference.

-- The Olsztyn Voivodship PZPR Committee approved materials for the coming voivodship reports-elections conference.

-- In Wroclaw was held the central inauguration of party education in the armed forces with the participation of the party-political leadership cadre from military districts and arms of services. Participating was Chief of the GZP WP [Main Political Directorate of the Polish Army] Div Gen Tadeusz Szacilo.

10 Sep

-- Voivodship party committees in Krakow, Lublin, Lodz, Piotrkow Trybunalski, Rzeszow, and Wloclawek discussed the status of preparations for their reports-elections conferences.

11 Sep

-- The Bydgoszcz Voivodship PZPR Committee discussed problems of quality and efficiency in the region's economy. Participating in the deliberations was Politburo Member and Central Committee Secretary Marian Wozniak.

-- The Torun Voivodship PZPR Committee evaluated the implementation of recommendations and postulates of the population offered during the campaign for elections to people's councils and Sejm.

-- Voivodship party committees in Bialystok, Koszalin, and Pila examined the status of preparations for the reports-elections campaign and approved materials for voivodship party conferences.

12 Sep

-- The Skierniewice Voivodship PZPR Committee considered directions of the voivodship's socioeconomic development till 1990 and approved materials for the voivodship reports-elections conference.

13 Sep

-- Politburo Member and Central Committee Secretary Tadeusz Porebski took part in a reunion of the graduates of the 200 years old Teacher Training Institute in Lowicz.

## Interparty Cooperation

5-6 Sep

-- Politburo Member and Chairman of the PRL Council of Ministers Zbigniew Messner paid an official friendship visit to Hungary. On the second day of the visit, Secretary General of the Hungarian Socialist Worker Party Janos Kadar met with Prime Minister Z. Messner.

6 Sep

-- On the occasion of the 75th anniversary of birth of Todor Zhivkov, Wojciech Jaruzelski, acting on behalf of the PZPR Central Committee, the Council of State, and himself, dispatched a telegram of congratulations to the Secretary General of the Central Committee of the Bulgarian CP and Chairman of the Council of State of the Bulgarian People's Republic.

5-6 Sep

-- An official visit to Czechoslovakia was paid by Politburo Member and PRL Minister of Foreign Affairs Marian Orzechowski. M. Orzechowski was received by Secretary General of the Czechoslovak CP and President of the CSSR Gustav Husak.

-- In Prague was held a plenary session of the PZPR Committee in Czechoslovakia during which tasks ensuing from the resolutions of the the 10th PZPR Congress to party work abroad were discussed. Wladyslaw Kowal was elected the new first secretary of the committee. Participating in the deliberations was Deputy Director of the Political-Organizational Department under the Central Committee Witold Gadomski.

8-12 Sep

-- Poland was visited by a delegation of the Agriculture Department of the SEPD Central Committee, headed by Sector Director Reiner Albers. The delegation was received by the Director of the Agriculture Department under the Central Committee Stefan Zawodzinski.

1386

CSO:2600/33

## UNION, PARTY ROLES IN SELF-MANAGEMENT VIEWED

Warsaw ZARZADZANIE in Polish No 8, Aug 86, pp 29-30

[Article by Radoslaw Markowski: "Does Self-Management Have a Chance?"]

[Text] The considerations presented here represent a summary of nearly two years of research on employee self-management and questions of conflict and cooperation in industry conducted by the Public Research Center of the Machinery Industry Management Institute. The research included classical empirical studies, regular observation of employee self-management units in industry and selected surveys designed to get a feel for outstanding, usually timely problems associated with company management.

In reviewing this research, we noted repeatedly the particular role and central position of employee self-management in industry. Its members often find themselves isolated, since the "coalition system" that emerges in the case of the existence of bidding situations leaves them only the option of deferring to the opinions and support of the workers, since they attitudes of these two groups are the most similar. On the other hand, there is a more close-knit "bloc"--company management and party membership. Just two years ago, union members occupied an intermediate position and tried not to take extreme positions in disputes. Their attitudes and opinions resulted not so much from enduring loyalty to their partner or partners as from reactions to various controversial issues. In the majority of cases, analysis of the behavior of union members could lead to the conclusion that labor unions fulfill more a function of allaying conflicts than of openly articulating them. Moreover, in this period union members very clearly expected support from employee councils in fulfilling their grievance function. Currently the situation seems to be drifting toward integration of union members with the management-party bloc, mainly because of the very high level of party membership in management as well as in the labor unions. Another factor reinforcing this tendency is the creation of legal instruments of the same rank as the laws "on industry" and "self-management" but contradictory to them. Seen as the most drastic example of this is the law on "plant compensation systems," which completely ignores the role of employee self-management in issues as basic as wages, transferring decision-making authority to labor unions and management. No less important is the issue of so-called collective work systems. Strong emphasis by union members on this solution and equally strong but opposite emphasis by self-management representatives deals

fundamentally with whether employee self-management will have something to say in industry or whether decisions will be transferred to a higher level of unions, trades, etc. It is also worth emphasizing that if transfer of decision-making authority "upward" to union members, having a nationwide organization; to management, closely associated with parent agencies or moreover to the party organization does not mean incapacitation of any of them, as long as in the case of self-management a lack of an "organizational superstructure" must lead to such incapacitation.

Our research and that of others indicates specific spheres of decision-making in which conflicts between these two organizations appear with particular strength. Considering the origin of this state of affairs, we noted that the primary factor here is the unclear division of authority written into the laws regulating their activity. Without negating the weight of this factor it is still worth noting other mechanisms that determine and sustain this conflict. The point is mainly the method of establishment of both organizations after the introduction of martial law. As we remember, the institution of employee self-management began its activity first. The lack--at that time--of union organization often gave rise to accusations directed at employee councils that they were concentrating on grievance issues. In many instances this was indeed the case.

The emergence of new labor unions was not always accompanied by enthusiasm and it follows that major groups of employees did not identify with the activity of that institution, still disposed toward employee councils as a body chosen democratically with the participation of all personnel. In addition, it seems that in the first period, immediately after the beginning of union activity, there was a universal expectation that the spheres of activity of the organizations mentioned would be clearly defined and separated. That did not happen. Regardless of one's opinion as to what intentions guided legislators, a situation has now taken shape that has placed party organizations, industrial management and superior bodies in the position of arbiter in disputes between self-management and union members.

In attempting to summarize this trend and at the same time try for a more theoretical interpretation of the issue, it is appropriate to say the following: it does not appear that conflict occurs--as some theorists of conflict would have it--where there is a clear division between those who have decision-making authority and those who are obliged to acquiesce to it; it is also not true, as others suggest, that conflict appears with particular strength where authority is relatively equally divided between sides. Conflict seems to occur mainly when dynamic change of position and redistribution of authority between the parties takes place and appears with particular strength when one of the organizations has a public mandate and the other does not or has it on a very limited scale and legal regulation is incompatible with the moral feelings and expectations of those involved. In addition, in our case the occurrence of inter-organizational conflict depends to a great extent on the economic situation of a given firm or, strictly speaking, on its payment capabilities.

Here it is appropriate to call attention to several processes accompanying this phenomenon, noted by many researchers. The first of these is declining



worker interest in the activity of employee councils. There is a clear divergence between the vitality of the concept of employee self-management and the realities of weak support for its work. Major factions of employees are not at all aware of what the employee council does, unaware of who comprises them, etc.

This phenomenon is usually associated with the ever more frequent demand for "professionalizing" self-management bodies, whether in the form of an implicit assumption that in democratic elections one should vote for competent professionals or, in somewhat more sharply defined demands, it concerns changes in electoral regulations. That such demands occur should not surprise someone who knows, albeit superficially, the history of self-management in postwar Poland. But the lack of reaction opposing such demands is striking. For in the event of further "professionalization" of these bodies, one can expect that the heretofore strong ties of this institution to employees will be broken, which, with the lack of penetrability of other channels for articulation of worker needs, can lead to the threat of total detachment of the "decision-making level" from the "decision-executing level." Emphasis on such a solution is associated with a particular group of stereotypes that originated around the concept of self-management and was fortified by doctrinal issues in Polish self-management that have never been completely resolved. So it is worth nothing that currently practically no one has analyzed or examined implemented self-management, even on a limited scale, as a value in itself, as determining the quality and style of life and satisfaction with it. The question asked by the media as well as science is, does it pay? What is the role of self-management in economic efficiency?

But the shrinking of self-management occurred--and some say is occurring now--to a great extent with the essential assent of employees, especially when it is a question of choice: high wages or self-management. In this instance the phenomenon called "plant solidarism" emerges, based, to put it roughly, on the mutual, non-conflict action of all internal organizations to improve their own wage situation, at the cost of respecting and taking advantage of the rights belonging to particular units. In the recent period, the emergence of so-called "industrial communities," monopolistic giants placing themselves above the law and in opposition to laws on industry and self-management, was an affirmation of this phenomenon. Moreover, employee councils of interested firms not only do not protest such plans to incapacitate them, they also actually support such solutions. Therefore, attributing Machiavellian efforts to limit self-management to the economic center is an oversimplification and can be considered as only one of the sources of employee self-management problems.

But to set aside the question of alternatives--self-management or efficiency--along with its ambiguity, let us go back to the question of the "professionalism" of employee council members, especially the worker part. One of the issues raised most often is the two-year term of the employee council, rather universally seen as too short for council members (especially workers) to become familiar with the complexities of a firm's economics. In the reports on observation of the work of employee councils in industry, we noted the existence of a peculiar "semantic barrier" that caused the worker part of the council to be unable to participate consciously in decision-making. However,

an interpretation of this passivity of theirs requires referring to new legislative solutions that instituted so-called "production councils," which under a previous legal instrument were the self-management bodies and which constituted the main initiator of discussions on problems from the "plant level." At present the placement of the worker council at the lowest level means that in that forum we are dealing with the presentation of particular issues in the form of numerical data with a high degree of aggregation--profit, costs, product sold, etc. A firm's administration thus imposes on the council discussion in such a form that the data presented are difficult to verify. Setting aside the issue of the characteristic ritual of reporting and calculations used by our entire economy, it should be emphasized that knowledge from the plant level is no worse than that which management has, but it is a different knowledge, which management does not have. However, we have not yet lived to see a situation wherein the employee council would have the opportunity to reckon with the results presented by the administration from a rank and file position, from the viewpoint of the realities of the job position, which would make possible verification of official reports and would ward off the emergence of that plant solidarism as well as the peculiar self-management "oligarchy."

To sum up this line of thought, one could say the following: In industrial firms, authority to make decisions--even those that concern the plant "at the bottom"--lies with company management, which does not have or has on a scale more limited than rank and file workers, information concerning the essence of the problems occurring at that level. One might suppose that many conflicts within a firm arise not so much because one unit has decision-making authority while another does not as because the one empowered to make decisions is not always furnished with appropriate information, which increases the risk of inaccurate decisions and thereby decreases efficiency; to this, we remember, employees are very sensitive.

Finally, but not less important, there are the attitudes of workers who, when their supervisors do not take their knowledge into account, stop feeling obligated to submit to the directions of their supervisors.

One more important question is tied to the mechanism of forming intra-plant relations described above. Many theorists feel, and evidence of this is also the practical experience of Hungarian reform, for example, that reflections on which of the three determines the scope of operation of the others (i.e., one often hears the argument, "as much self-management as there is independence") are a fruitless endeavor and an incomplete expression of the issue. For most important here is the form of ownership and the guarantees of its stability. That is why the decisive rejection of the "collectivized" (group) form of ownership of industrial firms revealed in our research is surprising enough that much data shows that a high percentage of the public is convinced about the potential hidden within a possible change of ownership. The point here is not so much reprivatization as crediting shares in common ownership to specific people or groups. We are therefore dealing with a particular instance of a phenomenon one might call disintegration of the components of attitude; in the cognitive dimension--information about reality--people often speak in favor of change in the forms of ownership, but when we analyze the dimension of real behavior, or at least forming a solution that could have such

consequences in practice, the respondents seem to abandon the solution that would undoubtedly lead to increasing their subjectivity, autonomy and feeling of ownership. The endorsement earned by the "collective form of management" of an industrial plant revealed in many studies affirms the foregoing argument. We are therefore dealing on a rather broad scale with such phenomena as escape into characteristic "ethical anonymity," taking advantage of the lack of standards and criteria for a social-institutional assessment of the people's action and thus--in the words of A. Podgorecki--a lack of an ethic of social orientation, to evaluate the "series of consequences that a given individual evokes in occupying a specific position." Of course the origin of this type of "avoidance" attitudes should be detected not so much in the imperfections of human nature as in a broader social context--a inkling of the instability of the economic rules of the game, a lack of clarity and permanence in the criteria for evaluation of the work of the director and company, etc.

12776

CSO: 2600/73

## BRIEFS

MASS MEDIA, PZPR CC CONSULTATIONS--On 19 September, a conference of press, radio, and television chief editors and journalists from the entire country was held at the PZPR Central Committee. The conference was devoted to the tasks of the news media in disseminating the contents of the 10th PZPR Congress. Franciszek Kubiczek, the first deputy chairman of the Council of Ministers Planning Commission, described the factors determining the economy's development, against the background of next year's Central Annual Plan. Marek Holdakowski, the head of the Central Committee's Economic Department, spoke about the significance and method of reviewing organizational structures and jobs. Stanislaw Ciosek, a PZPR Central Committee secretary, described the problems in carrying out the line of reconciliation and struggle against the background of the recent amnesty decisions. Current issues related to information-propaganda work were presented by Jerzy Kopel, the head of the Central Committee's Propaganda Department. The conference was summed up by Jan Glowczyk, a member of the Politburo and secretary of the PZPR Central Committee. [Text] [Warsaw RZECZPOSPOLITA in Polish 20-21 Sep 86 p 2] 9909

UKRAINIAN WRITERS HONORED--Moscow (PAP). Wladyslaw Kruk, the Polish Consul General in Kiev, presented a group of prominent Ukrainian writers with "Contributor to Polish Culture" decorations. They were received by Vitalij Korotych, Valerij Shevchuk, Bogdan Chajkovskij, Viktor Kartechenko, and Georgij Patryk-Papik, among others. The decorations were issued to them for popularizing Polish literature in the USSR, and especially for translations of the works of Polish writers. [Text] [Warsaw TRYBUNA LUDU in Polish 20-21 Sep 86 p 7] 9909

SZCZECIN DEFENSE COMMITTEE MEETING--Szczecin. A meeting of the Voivodship Defense Committee was held in Szczecin on 16 September, with the participation of Army General Florian Siwicki, a member of the Politburo of the PZPR Central Committee and the Minister of National Defense. At the meeting, there was an assessment of the state of security and public order in the voivodship, and the directions for further activities in this sphere were determined. Tasks aimed at improving civil defense were also examined, and there was also a discussion of activities promoting the patriotic-defense education of young people. [Text] [Warsaw TRYBUNA LUDU in Polish 17 Sep 86 p 2] 9909

BIALYSTOCK DEFENSE COMMITTEE MEETING--The Voivodship Defense Committee met at a regular session in Bialystock. The members discussed the current situation

in the area of public law and order. It appears from the reports presented that it is considerably better than during the analogous period last year. During the meeting, the results of recruitment for professional army training were also reported. In the next item of the proceedings, the civil defense plans at the Instrument and Handle Factory in Bialystock were assessed, and the enterprise's production results were reported. [Text] [Bialystock GAZETA WSPOLCZESNA in Polish 8 Sep 86 p 2] 9909

SOVIET FRIENDSHIP SOCIETY IN SCHOOLS--Gdansk. The national inauguration of the work of TPPR [Polish-Soviet Friendship Society] school circles took place in Gdansk. Delegations of school youth active in TPPR circles from the entire country participated, along with distinguished patrons and Russian language teachers. Minister for Youth Affairs Aleksander Kwasniewski met with the participants in the Gdansk ceremony, and informed them that a rich program called "Community," promoting comprehensive cooperation between the young generation of Poles and their contemporaries from the Soviet Union and other socialist states, would soon be implemented. School youth and TPPR members laid flowers at the Cemetery and Mausoleum of Soviet Soldiers in Gdansk. They also took part in a peace demonstration that took place at Westerplatte. (PAP) [Text] [Warsaw TRYBUNA LUDU in Polish 22 Sep 86 p 2] 9909

FRG YOUTH VISIT KRAKOW--At the invitation of the District Council of the ZSP [Polish University Student Association] in Krakow, a delegation of youth from the Upper Saxony district in the FRG, from Paritätisches Jugendwerk, is visiting our country. This organization, which deals mainly with the social and everyday problems of young people, has already been cooperating for 2 years with the ZSP. The student association's District Council in Lodz is the co-organizer of the present visit. On Tuesday, the guests were received by Minister Aleksander Kwasniewski and Andrzej Witkowski, the director of the Youth Bureau in the Office of the Council of Ministers. They visited Gdansk, Plock, Warsaw, and the Lodz "Almatur's" bases in Soczewka, near Lodz. Yesterday they met with deputy mayor Jan Nowak at the Office of the City of Krakow. The schedule for the visit includes seminars on the subjects of normalizing relations between Poland and the FRG, and the current situation in the youth movement in our country. [Text] [Krakow DZIENNIK POLSKI in Polish 18 Sep 86 p 2] 9909

MIODOWICZ CLAIMS 'UNION PLURALISM'--Alfred Miodowicz, the chairman of the OPZZ [All-Polish Consensus of Trade Unions] declared as follows: "There are 26,000 trade-union organizations at workplaces and in federations. They have their own statutes. A federation cannot give any orders to a trade union, and the OPZZ cannot give any orders to a federation. This precisely is trade-union pluralism. If on the other hand somebody were to propose two trade-union organizations at a single plant, we would be resolutely opposed. In this matter we have had experience from the years 1980-1981. This would mean divisions within the workforce and competition for members, and it would not be in the interest of the employees and the plant. Yes, I invite people to join the trade unions, to volunteer for elected offices, to offer good ideas." [Statement made at the PZPR reports-elections conference in the Lenin Iron and Steel Plant, quoted in ECHO KRAKOWA of 23 Oct] [Text] [Warsaw POLITYKA in Polish No 45 8 Nov 86 p 2] 1386

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## IMPROVEMENTS REPORTED IN HEALTH STATISTICS, SERVICES

Budapest MAGYAR NEMZET in Hungarian 12 Dec 86 pp 1, 5

[Report on Ministry of Health press conference, held 11 Dec 86, by Eszter Legrady: "An Account of Our Health"]

[Text] Infant mortality in Hungary has dropped below the magic number of 20 per 1000! At the same time, the number of persons infected with AIDS is rising month by month. What are the results our health administration may take credit for at the end of the year, and what are the unsolved problems it will have to confront next year? These are the questions for which the minister of health presented a balance at his Thursday [11 Dec 86] press conference. The ministry's state secretary and the two deputy ministers of health also attended the press conference.

Dr Laszlo Medve, the minister of health, opened the press conference with news of a gratifying result. The ministry has been fighting vigorously for years to reduce infant mortality in Hungary. This year we have been able to bring infant mortality down below 20 per 1000. There are, of course, wide variations by megyes: the rate is 14 per 1000 in one region, but 25 per 1000 elsewhere. One of the most important tasks next year will be to achieve the national average of 19 per 1000 also in the regions where infant mortality is much higher. This year we can also expect more births than last year. There were 1.2 million cases of influenza. The latest influenza epidemic was not a severe one, and few of the cases involved complications. We are now facing a new influenza threat, and 8,000 cases a week are already being reported in Budapest. The problem is that the new influenza virus, already isolated in the Jaszszag and in Budapest, has not yet caused an epidemic in Europe, and therefore a new type of inoculation must be developed against it.

The health system's efforts to prevent AIDS infection are likewise continuous. In this respect--thanks to well thought-out preparations--the situation in Hungary is such that any other European country would envy it. All blood drawn from donors is now examined, and viruses are removed before transfusion. Imported blood preparations, which earlier were infecting hemophiliacs, are no longer used. In computerized tomography, considerable progress has been made in developing the modes of scanning, and three computerized tomographs with a short scanning time are already in operation. The seats of the provincial universities will be equipped with such tomographs next

year. Computerized tomography is not a cheap procedure: a series of scans and image-processing cost between 15,000 and 20,000 forints. Up to now, however, the doctors' orders for computerized tomography have always been warranted, with hardly a negative interpretation report.

The news has spread that a few health-care institutions have begun so-called cost-effectiveness analyses. By the middle of next year, the ministry will have data available on the cost impact of various medical procedures. The diagnostic units that perform an unjustifiably high number of unnecessary tests can already be identified. Namely, the specialists who order urgent laboratory tests sometimes fail to even send for 15 to 20 percent of the laboratory reports. On the basis of WHO recommendations, therefore, the ministry will issue guidelines for the expedient and warranted use of the services that the diagnostic units are providing.

Some progress is noticeable also in combating the three principal causes of death in Hungary. Radiation therapy plays an important role in the treatment of tumors, and the number of radiation sources has been doubled. As a result of efforts undertaken this year, also the two hospitals on the southern shore of Lake Balaton--the ones in Siofok and Marcali--are finally getting intensive-care units.

The national voluntary health-maintenance program, which the government has already approved in principle, will be submitted to the government for final approval, foreseeably in May. The implementation of this program, the minister emphasized, is not a task that can be solved overnight, rather it will require continuous and constantly renewed effort.

Speaking of the tasks in the management of science, Dr Laszlo Medve said that the submitted concepts of research under the 7th Five-Year Plan had been approved. Financing primarily by research topics, rather than by institutions, played a role in the decisions. The minister announced as news that the domestic medical schools, respectively the instructors, would henceforth retain 30 percent of the foreign-exchange earnings from training foreign students. And as of 1 January, also the designated medical institutions would be able to retain 30 percent of the foreign exchange earned by treating foreign patients. This foreign-exchange incentive for the medical schools and institutions, respectively for the instructors and doctors, will make possible the acquisition of additional costly and scarce instruments and equipment for health care.

Hungary hosted several important international meetings in 1986. The minister singled out especially the Congress of Urologists, and the Congress of Oncologists. The expansion of relations continued within CEMA and the WHO as well. Modernization endeavors are typical of the relations within CEMA; while the WHO is viewing with great expectations, and supporting, our health-maintenance program. The keen interest is due also to the fact that such programs in other countries concentrate merely on a single population group, a million people at most, while in Hungary the program will apply to our entire population of 10 million people.

Despite the ever-greater tasks in health care, it has not been possible to give health-care workers raises this year. Although the need for central

wage measures is recognized by every higher forum, such measures are not feasible for the time being. The Code of Medical Ethics that is being drafted will be published in the first quarter of 1987 and submitted to public debate.

A recurring problem in medical care is the evaluation of working capacity or, briefly stated, the situation regarding sick-pay claims. The basic principle remains unchanged: sick pay is a curative factor, and anyone entitled to sick pay should get it. The problem stems from the fact that many people abuse this benefit, claiming sick pay also when they are not entitled to it, while others are obliged to work even when they are ill. The interests of, respectively, the employer, the social insurance system, and the citizen influence to a large extent the situation regarding sick-pay claims. Therefore the Ministry of Health, in agreement with other ministries, is introducing measures that will change significantly the practice to date. Among other things, for example, the full-time plant physician will have authority to evaluate a patient's fitness to work, if the patient is ambulatory.

Dr Imre Hutas, the ministry's state secretary, answered MAGYAR HIRLAP's question regarding the number of AIDS patients in Hungary. At present there are 102 known AIDS-infected persons in Hungary. This includes 28 hemophiliacs, i.e., patients who were given infected blood. The rest belong primarily in the high-risk group of homosexuals, although there are also women who were infected by male hemophiliacs. The symptoms of AIDS--elevated temperature, and swollen lymph glands--manifested themselves in six cases. But the number of infected persons could change from one month to the next. The 680 hemophiliacs in Hungary have been screened, and about 5 percent of them have been found positive.

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